NON-FINANCIAL REPORT

SUSTAINABILITY STATEMENT

1. GENERAL INFORMATION

Schweizer is a manufacturer of printed circuit boards that meet the most diverse requirements in various industries and markets. Our innovative PCB technologies are used in vehicles, aerospace, industrial and medical technology as well as in communication and computer applications. Leading companies around the world rely on Schweizer's innovative strength, our decades of experience and the outstanding product and service quality of our PCB and embedding solutions. In addition, Schweizer's PCB technologies are used in our customers' energy and environmentally friendly applications.

We are committed to acting sustainably. This includes the continuous improvement of quality, the environment, energy and occupational safety in harmony with other corporate objectives.

1.1 BASIS FOR THE PREPARATION OF THE SUSTAINABILITY DECLARATION [BP-1] [BP-2]

This consolidated sustainability statement of the Schweizer Group was prepared for the first time in accordance with the European Corporate Sustainability Reporting Directive (CSRD), partially applying the European Sustainability Reporting Standards (ESRS). The scope of consolidation of this sustainability statement corresponds to the scope of consolidation of the consolidated financial statements of the Schweizer Group. All information and data relate to the year 2024, whereby the reporting period corresponds to the calendar year (1 January to 31 December 2024).

This sustainability statement describes the business model, business development, the situation of the Group and the impact of its activities. The content relates to the concepts and measures that the company has defined in order to manage its material sustainability-related impacts, risks and opportunities, as well as the targets and key figures for measuring the effectiveness of these concepts and measures. The material impacts, risks and opportunities associated with the company through its activities and through direct and indirect business relationships in the upstream and/ or downstream value chain are considered.

In accordance with the requirements of the German CSR-RUG, the identified material sustainability aspects can be categorised as statutory matters in accordance with Section 289c (2) HGB and Section 315b HGB:

Non-financial matters	Material sustainability aspects
Respect for human rights	Human rights in the upstream value chain (S2)
Combating corruption and bribery	Although the fight against corruption and bribery is not considered a material topic in our materiality analysis, it is not a material issue. We have anchored corresponding and behavioural guidelines in our Code of Conduct.
Environmental concerns	Climate protection (E1) Adaptation to climate change (E1) Environmental pollution (E2) Water (E3) Circular economy (E5)
Employee concerns	Secure employment and remuneration (S1) Workload and health (S1) Training (S1) Labour and human rights in own business area (S1) Unused optimisation potential (S1 - company-specific)
Social issues	Social issues are not a material topic according to the materiality analysis carried out and are therefore not reported.
Other matters	Data protection and cyber security (G1 - company-specific) External dependencies on the market and market conditions (G1 - company-specific) Risk management (G1 - company-specific)

This sustainability declaration does not contain any information relating to intellectual property, expertise or the results of innovations. In the context of this report, SCHWEIZER has made use of exceptions with regard to upcoming developments or matters that are in the negotiation phase. Furthermore, the sustainability statement does not contain any information on dedicated risk management measures that contain sensitive strategic information on corporate governance.

The "Disclosures related to specific circumstances" required in SCHWEIZER'S reporting on value chain estimates, sources of estimation and earnings uncertainty, changes in the preparation or presentation of sustainability information, errors in reporting in previous reporting periods, disclosures required by other legislation or generally recognised sustainability reporting pronouncements are either included directly in the topic-specific chapters or are not relevant for SCHWEIZER in the first year of reporting.

We use the following time horizons for our sustainability reporting:

- Short-term: Corresponds to the reporting period
- Medium-term: Corresponds to the end of the short-term time horizon of up to 5 years
- Long-term: Corresponds to more than 5 years

SCHWEIZER utilises the transitional provisions for companies with fewer than 750 employees in accordance with Annex C of ESRS 1 for ESRS S1 and ESRS S2. The material sustainability aspects relating to these transitional arrangements can be found in the table below:

Sustainability aspect	Stand	Topic (according to ESRS 1, AR 16)	Sub-topic (according to ESRS 1, AR 16)	Sub-sub-topic (according to ESRS 1, AR 16)
Secure employment and remuneration	ESRS S1	Labour force of the company	Working conditions	Adequate remuneration, secure employment
Workload and health	ESRS S1	Labour force of the company	Working conditions	Work-life balance, health protection and safety
Further training	ESRS S1	Labour force of the company	Equal treatment and equal opportunities for all	Further training and skills development
Employee and human rights in our own business area	ESRS S1	Labour force of the company	Other labour-related rights	
Unused optimisation potential (company-specific)	ESRS S1	Labour force of the company		
Human rights in the upstream value chain	ESRS S2	Labour force in the value value chain	Other labour-related rights	Child Labour, Forced Labour, Forced accommodation

An abridged summary of the concepts, objectives, measures and key figures for all material sustainability aspects can be found in the topic chapters for ESRS S1 and ESRS S2.

1.2 SUSTAINABILITY AND GOVERNANCE

Composition of the administrative, management and supervisory bodies [GOV-1]

As at 31 December 2024, the **Executive Board** of Schweizer consisted of three members: Mr Nicolas-Fabian Schweizer, Mr Marc Bunz and Mr Thomas Gottwald (member of the Executive Board since 1 May 2024). With regard to the activities and mandates within the Group, other activities and mandates as well as the professional background, please refer to the Annual Report (Annual Financial Statements/ Notes/7.4 Executive bodies).

Nicolas-Fabian Schweizer

Chairman of the Executive Board / CEO

Responsible for Sales & Marketing, Human Resources, Legal and Media & Communications (PR).

Marc Bunz

Deputy Chairman of the Executive Board / CFO

Responsible for Trading & Supply Chain, Finance & Controlling, Information Technologies and Investor Relations.

Thomas Gottwald

Chief Technology Officer

Responsible for Operations (Production Germany), Technology and R&D.

The proportion of women on the **Executive Board** as at 31 December 2024 is zero percent. In its resolution dated 11 April 2022, the Supervisory Board set targets for the composition of the Executive Board. These relate to diversity in its composition and are valid until 31 December 2026. In the event of an expansion of the Executive Board to more than three members, the Supervisory Board has set itself the goal of filling this position with a woman.

In accordance with the Articles of Association, the **Supervisory Board** consists of six members, two of whom are elected by the employees (in accordance with the One-Third Participation Act) and four of whom are elected by the Annual General Meeting. As at 31 December 2024, the Supervisory Board was composed exclusively of men. Until the Annual General Meeting on 28 June 2024, five men and one woman were represented on the Supervisory Board. The proportion of women on the Supervisory Board up to this date was therefore 17 percent. In its resolution of 11 April 2022, the Supervisory Board set targets for its composition. This target composition includes members with international experience and independent members on the Supervisory Board and at least one Supervisory Board seat should be held by a woman.

Schweizer employees are represented by a works council.

Duties and responsibilities of the members of the administrative, management and supervisory bodies [GOV-1]

Schweizer Electronic AG is a stock corporation under German law and has a dual management system consisting of an Executive Board and a Supervisory Board. The Executive Board manages the company in accordance with the statutory provisions, the articles of association and the rules of procedure. The Supervisory Board monitors, advises and supports the Executive Board in its activities. The Supervisory Board applies appropriate criteria when selecting candidates for a position on the Executive Board in order to ensure that the members of the Executive Board have suitable expertise and experience in the areas for which they are responsible. In the Supervisory Board's view, the basic suitability criteria are professional qualifications for the respective area, convincing leadership qualities, previous performance and knowledge of the company.

Sustainability issues are coordinated by a sustainability manager from the Finance & Controlling department in collaboration with the heads of the specialist departments. This year, Schweizer conducted a materiality analysis for the first time. The company carries out a materiality analysis in accordance with the principle of double materiality in preparation for the reporting requirements of the CSRD. By actively involving the Executive Board members in the implementation and monitoring of this materiality analysis and consulting external experts, the Executive Board members have the necessary knowledge to expand Schweizer's sustainability management and reporting in accordance with the requirements of the CSRD and embed it in the company's strategic orientation.

The effects, risks and opportunities are monitored by the Finance & Controlling department in coordination with the Executive Board. The Supervisory Board was comprehensively informed about the implementation and results of the materiality analysis and will continue to be involved in the topic at its meetings in the future. Sustainability-related risks and opportunities have already been integrated into the existing risk management system. The management of impacts will be integrated into the existing internal control system in future. With regard to material impacts, risks and opportunities, targets are defined together with the Executive Board and anchored in the corporate strategy and operational plans. Appropriate measures are implemented to monitor progress towards the achievement of targets.

Availability of appropriate skills and expertise to monitor sustainability aspects [GOV-1]

The Executive Board members demonstrate suitable expertise in the area of sustainability. All members of the Executive Board have many years of experience in the areas for which they are responsible, which also include sustainability aspects such as the use of resources, social responsibility towards their employees, information and customer security and compliance. Overall, the Supervisory Board covers a comprehensive area of expertise. However, not every member of the Supervisory Board needs to have all of these competences. Rather, the totality of knowledge, skills and professional experience is understood as the sum of all individual knowledge, skills and experience of the individual Supervisory Board members. The area of sustainability is covered in particular by the members of the Audit Committee through their professional experience and expertise as well as their further training (e.g. information event organised by the auditor) in the areas of sustainable corporate governance, environmental social governance (ESG) and corporate social responsibility (CSR).

Information and sustainability aspects addressed by the organisation's administrative, management and supervisory bodies [GOV-2]

The Executive Board and Supervisory Board attach great importance to sustainable, long-term corporate management. For this reason, both strategic decision-making and operational management are equally influenced by ecological, economic and social factors. At SCHWEIZER, strategic responsibility for sustainability lies with the Executive Board. This is where the control and management of the key aspects of sustainability are monitored. As Chairman of the Executive Board, Nicolas-Fabian Schweizer is responsible for SCHWEIZER's sustainability organisation. The members of the Supervisory Board are also informed about sustainability performance at the Audit Committee and Supervisory Board meetings. In addition, the Executive Board and the Audit Committee of the Supervisory Board were involved at all times in the materiality analysis process and the resulting decision-making issues.

At an operational level, sustainability is managed by the risk owners and specialists. In order to continuously improve sustainability performance, environmental and social targets are set in consultation with the Executive Board. The relevant sustainability aspects are also part of the risk management reporting and the annual management reviews by the Executive Board. The Executive Board members analyse and evaluate the status of target fulfilment, make recommendations and identify potential for improvement. In this way, sustainability is comprehensively and systematically integrated into SCHWEIZER'S corporate management strategy to ensure sustainable development.

The following table shows the main effects, risks and opportunities dealt with by the administrative, management and supervisory bodies or their responsible committees during the reporting period:

Sustainability aspect	Board / Committee	Meeting
Climate protection Adaptation to climate change Environmental pollution Water Circular economy Secure employment and remuneration Workload and health Further training Employee and human rights in our own business area Unused optimisation potential Human rights in the upstream value chain Data protection and cyber security External dependencies on the market and market conditions Risk management	Executive Board / Supervisory Board	Definition of key ESG objectives by the Executive Board in February 2024 Presentation of the results of the materiality analysis in October 2024 Audit Committee meeting of the Supervisory Board in September 2024

Inclusion of sustainability-related performance in incentive systems [GOV-3] [E1, GOV-3]

The Executive Board's remuneration includes both fixed and variable remuneration components. As part of the long-term variable remuneration, non-financial target criteria are also agreed with the members of the Executive Board to support the sustainable development of the company. The Supervisory Board decides on the amount of the company factor (degree of target achievement). The company factor influences the amount of the long-term variable remuneration by between plus and minus 20 percent.

Climate-related considerations have not yet been included in the remuneration of Executive Board and Supervisory Board members. As a result, there is no assessment of performance in relation to GHG emission reduction targets for 2024.

Declaration on due diligence [GOV-4]

The following table shows the application of the most important aspects and steps of the due diligence process and indicates where in the sustainability statement we provide information about our due diligence processes:

Core elements of due diligence	Paragraphs in the Sustainability declaration
Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2, ESRS 2 GOV-3, ESRS 2 SBM-3
Involvement of affected stakeholders in all key due diligence steps	ESRS 2 GOV-2, ESRS 2 SBM-2, ERSR 2 IRO-1, ESRS 2 MDR-P, Thematic ESRS
Identification and assessment of negative impacts	ESRS 2 IRO-1, ESRS 2 SBM-3
Measures to counter these negative effects	ESRS 2 MDR-A, Thematic ESRS
Tracking the effectiveness of these efforts and communication	ESRS 2 MDR-M, ESRS 2 MDR-T, Thematic ESRS

Risk management and internal controls for sustainability reporting [GOV-5]

ESG-related risks and opportunities are integrated into SCHWEIZER'S risk early warning system. The information and findings contained in the risk reports are used in the sustainability statement. The due diligence obligations are complied with in accordance with the internal control system when preparing the sustainability statement. The risk reporting, which takes place twice a year, ensures that risks and opportunities, measures and target achievement are validated by the risk owners and specialist departments in full in terms of process and content. For further quality control, the report content is validated by the appointed corporate risk manager and discussed with the risk owners and corrective measures are initiated. The risk manager reports to the Executive Board. In an annual Executive Board assessment, the relevance of existing risks and opportunities is reassessed and additional ESG matters that have occurred or are foreseeable are added to the risk inventory.

SCHWEIZER pursues a structured concept for managing risks in connection with sustainability reporting. The aim is to ensure the quality and reliability of the sustainability statement and to minimise potential sources of error at an early stage. A key risk in this process is the possibility of transmission errors, incomplete or incorrect data and the misinterpretation of information. To meet these challenges, SCHWEIZER relies on systematic data collection and quality assurance. The content of the sustainability statement is prepared by recognised experts and checked in a multi-stage review process. This involves an initial validation by internal specialist departments, followed by a final review by the Executive Board. In addition, standardised processes and control mechanisms are implemented to ensure the accuracy and consistency of the reporting information. This includes regular training for internal employees, standardised reporting formats and close coordination with the relevant stakeholders.

1.3 BUSINESS MODEL AND STRATEGY [SBM-1]

Core elements of the general strategy

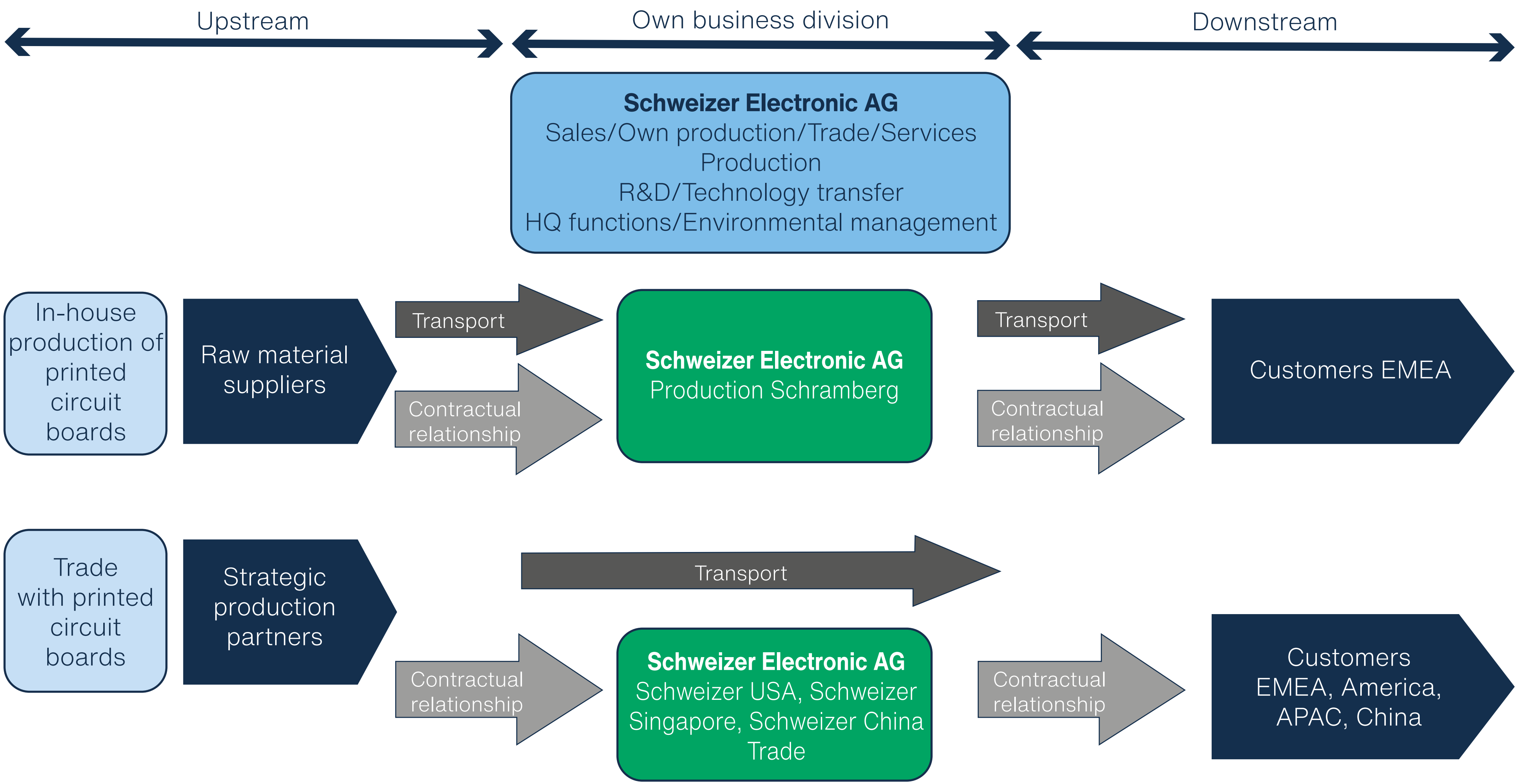
Schweizer has internationally recognised expertise in the development and manufacture of printed circuit boards. In addition to the main automotive market, our products are increasingly finding their way into aviation and industrial applications. With conventional PCB technology, Schweizer has also gained an established position in the more complex application areas of sensor technology and power electronics over many years. From simple 2-layer circuits to innovative high-current, logic or radar assemblies, Schweizer offers a comprehensive range of technologies and solutions for the most demanding requirements. In addition, our embedding technology, which represents the integration of a power semiconductor into the PCB, enables the realisation of customer innovations in the fields of electromobility and renewable energies. The use of this energy-saving technology makes an important contribution to a sustainable economy and protecting the environment. Our products thus conserve resources for the future of our children.

We attach great importance to resource-conserving production and plan reduce our CO_2-emissions in Scope 1 and 2 by 20 percent compared to the base year 2019. For our global activities, we employ 501 people in Germany, 20 people in Asia and one person in the USA. We want to utilise the diversity, innovative strength and skills of our employees in order to maintain our quality and premium standards. We demand unconditional compliance with high environmental and social standards from our suppliers by committing them to a Code of Conduct. Schweizer is increasingly focusing on digitalisation in the areas of production, supply chain and finance. We are investing in data protection and IT security to ensure that the sensitive data of our customers and employees is optimally protected.

Our business model and the value chain

Technological advice on the optimum PCB solution to optimise the customer's overall system sets Schweizer apart from the competition. In order to be able to serve our customers' technologically complex application areas on the one hand and to fulfil the price points for the sale of conventional PCB technologies on the other, Schweizer pursues a dual strategy of in-house manufactured and externally sourced PCBs.

We deliver to Europe, Asia, America and other countries to meet the needs of our automotive, industrial and other customer groups. Direct sales are handled by our company Schweizer Electronic AG, which supplies products manufactured in-house, carries out basic development and provides customers with technical advice, as well as our sales subsidiaries in Singapore, China and the USA. In various markets, we work together with our sales partners NAGASE & Co., Ltd (Japan), Variokorea Co., Ltd (South Korea), Nisko Projects (Israel) and Trilogy (USA). Schweizer procures basic materials, chemicals, paints, wear tools and IT services for its in-house production from a large number of suppliers in Germany and abroad. Around 100 suppliers account for 80 percent of the procurement volume. We source the PCBs we trade from our strategic partners, such as Schweizer Electronic (Jiangsu) Co., Ltd., China (WUS-SEC) (a minority shareholding of Schweizer Electronic AG amounting to 16 percent), the WUS Group (an anchor shareholder of Schweizer Electronic AG) and other PCB manufacturers in Asia. Here, the supply chain corresponds to a triangular business.


Upstream
Own business division
Downstream
Schweizer Electronic AG
Sales/Own production/Trade/Services
Production
R&D/Technology transfer
HQ functions/Environmental management
In-house production of printed circuit boards
Raw material suppliers
Transport
Contractual relationship
Schweizer Electronic AG
Production Schramberg
Transport
Contractual relationship
Customers EMEA
Trade with printed circuit boards
Strategic production partners
Transport
Contractual relationship
Schweizer Electronic AG
Schweizer USA, Schweizer Singapore, Schweizer China
Trade
Contractual relationship
Customers EMEA, America, APAC, China

1.4 INTERESTS AND POSITIONS OF STAKEHOLDERS [SBM-2]

The relationships along the value chain were assigned to the stakeholder groups that could potentially be affected by SCHWEIZER'S business activities along the value chain.

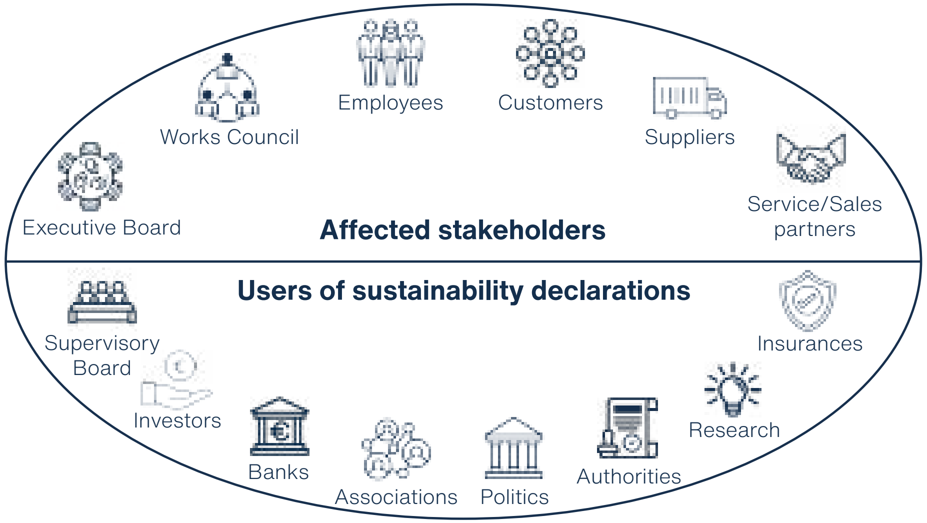
The following aspects were evaluated to assess the impacts, risks and opportunities along the value chain:

- Location and characteristics of suppliers, even beyond the first level of the upstream supply or value chain;
- Users of the services and goods;
- how the goods are treated as waste at the end of their life cycle, and
- who could be affected by services and goods.

Involving our stakeholders promotes dialogue, strengthens trust and to SCHWEIZER'S long-term competitiveness. In the 2024 financial year, we therefore identified our most important stakeholder groups in a systematic selection process. The final selection was confirmed by our Executive Board.

We differentiate between:

- **Stakeholders** who are directly by our sustainability activities.
- **Users of sustainability statements** who interested our sustainability topics.



The stakeholder groups identified as relevant were actively involved in the materiality analysis process. A comprehensive stakeholder survey enabled us to record their views and concerns with regard to sustainability issues. Representatives were asked about the three central topics:

- Environment (e.g. emissions, resource utilisation, climate change)
- Social (e.g. working conditions, human rights, diversity)
- Governance (e.g. corporate ethics, transparency, compliance)

The findings were channelled into two key areas::

1. Identification and assessment of material sustainability impacts: Stakeholder opinions formed an essential basis for IRO (Impact, Risk, Opportunity) identification.
2. Strategic alignment of the sustainability strategy: The stakeholder feedback helped us to develop our sustainability strategy in a future-oriented manner and optimise them.

1.5 MATERIAL SUSTAINABILITY ASPECTS AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL [SBM-3] [E1, SBM-3]

The table below shows the main effects, risks and opportunities for our business model, our value chain and our strategy and decision-making:

Sustainability aspect	Auswirkungen / Risiken / Chancen	ESRS topic or company-specific	Position in the value chain	Companies / locations affected / Business lines etc.	Description of the activities that lead to the IROs	Influence on strategy, BM, value chain, decision-making	Expected time horizons for effects
Climate protection	I.1 Direct emissions (Scope 1), I.2 Indirect emissions (Scope 2), I.3 Indirect upstream emissions (Scope 3), I.4 Indirect downstream emissions (Scope 3), I.5 Positive impact on the energy and greenhouse gas balance in the downstream value chain thanks to energy-saving and more efficient printed circuit boards	ESRS E1 and company-specific (I.5)	Own business unit and upstream and downstream value chain	Entire SCHWEIZER Group	The production of printed circuit boards generates direct emissions in our own business division, indirect emissions through the purchase of energy (Scope 2) and indirect emissions in the upstream and value chain (Scope 3). GHG emissions can be saved by using SCHWEIZER's PCBs.	As a leading manufacturer of printed circuit boards, we at SCHWEIZER recognise our responsibility to a positive contribution to climate protection, which is why we have set ourselves targets for Scope 1 and 2 emissions. The reduction of CO_2-emissions offers us a strategic advantage that strengthens our competitiveness: for an energy-intensive company like SCHWEIZER, the issue of energy efficiency is particularly important not only in terms of conserving resources, but also with regard to cost management.	short term
Adaptation to climate change	RO.8 – Business interruption due to internal events (e.g. fire), natural disasters or other external events RO.25 – Market development potential	ESRS E1	Own business division	Entire SCHWEIZER Group	Climate change is leading to an increase in extreme weather events such as floods, storms and heatwaves. These can damage production facilities, interrupt supply chains and disrupt the availability of raw materials. At the same time, the demand for more energy-efficient and environmentally friendly products offers considerable growth opportunities for efficiency-enhancing printed circuit boards.	Identifying and minimising the risks that can arise from climate change is essential. As the consequences of climate change can lead to business interruptions - both in our own business area and in the value chain - we take this risk into account. Energy efficiency is one of the key market drivers of our PCB business. Our printed circuit boards help our customers in the automotive sector to increase the fuel efficiency of their vehicles and CO_2-emissions and offer us corresponding growth opportunities.	medium term

Sustainability aspect	Effects / risks / opportunities	ESRS topic or company-specific	Position in the value chain	Companies / locations affected / Business lines etc.	Description of the activities that lead to the IROs	Influence on strategy, BM, value chain, decision-making	Expected time horizons for effects
Environmental pollution	I.8 – Air, soil and water pollution in our own business area I.9 – Air, soil and water pollution in the value chain I.10 – Air, soil and water pollution in the downstream value chain	ESRS E2	Own business unit and upstream and downstream value chain	Entire SCHWEIZER Group	SCHWEIZER's activities cause air, soil and water pollution both in its own business area and in the upstream and downstream value chain.	Minimising air, soil and water pollution is strategically important for SCHWEIZER companies in order ensure compliance with regulatory requirements. On the other hand, this can reduce costs and thus offer SCHWEIZER a competitive advantage.	short term
Water	I.14 – Water consumption (separate business division) I.15 – Discharge of water (separate business area)	ESRS E3	Own business division	Schramberg site	The manufacture of a printed circuit board involves many water-intensive processes, so the consumption of fresh water and the quantity and treatment of wastewater are important indicators for assessing the on the environment.	In order to promote the responsible use of water, SCHWEIZER actively monitors water consumption on a regular basis. On this basis, water consumption and the discharge of water can be reduced.	short term
Circular economy	I.20 – Contribution to increasing the volume of waste RO.6 – Dependence on raw material suppliers and transport routes	ESRS E5	Own business division	Schramberg site	The waste generated in SCHWEIZER's production process and processed waste disposal companies has a negative impact the environment. There is also the risk of supply gaps from raw material suppliers, delivery delays to customers, delivery failure and disruption or cancellation of transport routes due to dependencies on raw material suppliers and transport routes.	One of SCHWEIZER's key steps towards a circular economy is the separation of all waste. This is the basic prerequisite for being able to reduce waste, which also a strategic goal at SCHWEIZER. SCHWEIZER tries to minimise the risk of dependency by relying on different raw material suppliers, forwarding agents and transport routes.	short term
Secure employment and remuneration	I.21 – Contribution to long-term and secure jobs I.22 – Social and financial security for employees (separate business division)	ESRS S1	Own business division	Entire SCHWEIZER Group	SCHWEIZER has been a employer in Schramberg and the region for 175 years, making a positive contribution to the development the labour market. As an employer, SCHWEIZER contributes to the social and financial security of its employees through secure employment.	Secure employment and remuneration are key factors in employee satisfaction. In order to be perceived as an attractive employer in the long term and thus attract employees to the company, this topic is particular relevance in strategic decisions.	short term

Sustainability aspect	Effects / risks / opportunities	ESRS topic or company-specific	Position in the value chain	Companies / locations affected / Business lines etc.	Description of the activities that lead to the IROs	Influence on strategy, BM, value chain, decision-making	Expected time horizons for effects
Workload and health	I.24 – Negative impact on the work-life balance of employees I.25 – Mental strain on employees due to stress I.26 – Impairment of physical health through the use of chemicals and occupational accidents I.28 – Positive impact employee health and well-being -security in our own business area	ESRS S1	Own business division	Entire SCHWEIZER Group	Various factors can lead to high workloads and effects on the health of employees can have a negative impact on the health of our employees. In addition to work and commuting accidents, shift work, for example, can increased work stress, which can have a negative impact on physical and mental health. SCHWEIZER contributes to this, e.g. through occupational health management. This helps to ensure that the health of employees is positively influenced.	The topic of workload and is firmly anchored in our strategic concepts. Above all our company health management system, safety specialists, safety officers and safety inspections of workplaces and risk assessments enable us to make important decisions to ensure the health and safety of our employees.	short term
Further training	I.32 – Contribution to employee development through further training	ESRS S1	Own business division	Entire SCHWEIZER Group	Experienced employees are supported through internal and external training programmes.	The topic of further training is another important factor in employee satisfaction. The further of our employees is also great strategic relevance, as the knowledge and skills of our employees are essential for the long-term success of the company. The further training of our employees maintains and increases SCHWEIZER's ability to innovate and compete and enables us to successfully align our business model.	short term
Employee and human rights in our own business area	I.34 – Disregard for labour and human rights in own business area	ESRS S1	Own business division	Entire SCHWEIZER Group	Situations can potentially arise in which employee rights are not observed, as unpaid overtime, or non-compliance with prescribed break times, etc. Situations can potentially arise in which employees are treated inhumanely.	Ethical principles and, above all, compliance with all internationally recognised employee and human rights the entrepreneurial basis for SCHWEIZER. SCHWEIZER therefore attaches the utmost importance to ensuring that all labour and human rights as well as national are observed, both in its own business operations and in the value chain.	short term

Sustainability aspect	Effects / risks / opportunities	ESRS topic or company-specific	Position in the value chain	Companies / locations affected / Business lines etc.	Description of the activities that lead to the IROs	Influence on strategy, BM, value chain, decision-making	Expected time horizons for effects
Unused optimisation potential	RO.8 – Unutilised optimisation potential (e.g. expansion management competences, increasing process efficiency)	Company-specific	Own business division	Entire SCHWEIZER Group	If managers do not receive sufficient training in management methods and no measures are implemented to continuously improve production processes and workflows, risks of lower productivity can arise. This can lead to increased labour costs and longer production times.	It is essential for SCHWEIZER to maintain its competitiveness. Unused optimisation potential is therefore identified in order to take measures and strategic decisions on this basis.	short term
Human rights in the upstream value chain	I.37 – Human rights violations in the upstream value chain I.38 – Contribution to human rights violations in the value chain through the procurement of conflict materials	ESRS S2	Upstream value chain	Entire SCHWEIZER Group	Particularly in the extraction and processing of raw materials and through the purchase of conflict materials can directly or indirectly finance human rights violations for workers in the upstream value chain as well as armed conflicts.	Ethical principles and, above all, compliance with all internationally recognised employee and human rights the entrepreneurial basis for SCHWEIZER. SCHWEIZER therefore attaches the utmost importance to ensuring that all labour and human rights as well as national are observed, both in its own business operations and in the value chain.	short term
Data protection and cyber security	I.42 – Damage to customers due to data breaches or loss of customer data RO.17 – Cyberattacks	Company-specific	Own business division	Entire SCHWEIZER Group	The loss of business/customer data can significant negative consequences for the respective (business) customers and damage them in the short and long. In addition, individual processes can be by cyber-attacks, which can lead to financial losses.	The protection of sensitive customer data is of strategic importance to us, as it strengthens the trust of our customers and minimises legal risks. Our cyber- and information measures ensure protection against data loss and cyber-attacks, which safeguards the continuity and integrity of our business model. In view of the sharp increase in cyberattacks worldwide, this topic becoming increasingly relevant for us. Data protection guidelines are essential for us in order to fulfil legal requirements and maintain our reputation.	short term

Sustainability aspect	Effects / risks / opportunities	ESRS topic or company-specific	Position in the value chain	Companies / locations affected / Business lines etc.	Description of the activities that lead to the IROs	Influence on strategy, BM, value chain, decision-making	Expected time horizons for effects
External dependencies on the market and market conditions	RO.1 – Adaptation to market changes as a result of in the automotive sector, the prospects and financial strength of major customers and the availability of components RO.5 – Stable partnership with WUS / SEC with regard to synergy and cooperation advantages RO.7 – Safeguarding common interests in the context of co-operation with WUS / SEC RO.8 – Legal and regulatory risks RO.8 – External market conditions (e.g. economic fluctuations, changes in customer behaviour)	Company-specific	Own business division	Entire SCHWEIZER Group	SCHWEIZER is affected to various risks that can affect its competitiveness and long-term stability. These include on market changes, economic fluctuations or customer behaviour as well as legal and regulatory risks. There are also risks in context of co-operations with strategic partners.	External dependencies on the market and market conditions play a strategic role in our business model and our decisions. in the automotive sector can have a significant impact on our business activities, especially if the liquidity of our major customers fluctuates. At the same time, the of materials for our represents a potential risk that we must continuously monitor. In order to meet these challenges, stable partnerships and compliance the legal framework are crucial. We must keep an eye on general economic fluctuations, as they our strategic planning and flexible adjustments in order to remain competitive. Through continuous monitoring and pro-active measures, we can minimise the of these external factors on our company.	medium term
Risk management	RO.8 – Deviating occurrence of risks and losses in relation to the risk assessment	Company-specific	Own business division	Entire SCHWEIZER Group	There is a risk of unexpected expenses, which can lead to liquidity bottlenecks if misjudgements arise in the of risks.	The deviating occurrence of risks and losses in relation to the risk valuation is of strategic importance to SCHWEIZER. If actual risks and losses deviate from the forecast valuations, this can lead to unexpected financial burdens and operational challenges. A precise risk assessment is therefore essential in order to take appropriate precautionary measures and strengthen the resilience of our company and ad hoc assessments enable to respond better to unforeseen and safeguard our strategic goals. Our risk owners play a central role in this by monitoring risks and taking appropriate action.	medium term

Financial effects

Following a thorough internal review, SCHWEIZER has determined that the material risks and opportunities currently identified do not any significant current financial effects on our financial position, financial performance or cash flows. There is also no significant risk that an adjustment to the assets or liabilities recognised in our annual financial statements will be necessary as a result of these risks and opportunities.

Resilience of the strategy

The quantitative analysis of risks and opportunities includes a detailed assessment of all potential threats and opportunities within our company. Various instruments such as the risk inventory, individual risk reports and specific opportunity assessments are used to enable well-founded decisions to be made. This systematic recording and evaluation enable us not only to recognise risks at an early stage, but also to exploit opportunities in a targeted manner and adapt our strategies accordingly. No analysis of resilience has been carried out for impacts to date.

1.6 OUR APPROACH TO THE DETERMINATION AND ASSESSMENT OF THE MATERIAL IMPACTS, RISKS AND OPPORTUNITIES [IRO-1] [IRO-2]

In the 2024 financial year, we carried out a materiality analysis for the first time in accordance with the principle of dual materiality pursuant to ESRS 1. This was based on two approaches: What impact does our company have on the environment (impact materiality)? Which sustainability-related risks and opportunities have a financial impact on our company (financial materiality)? These questions resulted in the identification of material impacts, risks and opportunities.

The analysis process began by identifying the effects along SCHWEIZER'S value chain. This resulted in the following focus topics:

Upstream value chain

- Raw material extraction and resource inflows: Raw materials, conflict materials
- Transport in the upstream value chain
- Respect for human rights

Own business model

- Production of printed circuit boards in our own business division and the associated environmental impact
- Employee topics
- Corruption and bribery

Downstream value chain

- Disposal of hazardous waste
- Transport emissions

To identify the actual and potential impacts, we considered the sustainability topics in accordance with ESRS 1, AR 16. The GRI Standard, German Sustainability Code (DNK), Sustainable Development Goals (SDGs), EcoVadis and ISO 26000 frameworks were also used. Based on internal documents and information requests, supported by the specialist departments, we determined the impacts in the areas of environment (E), social affairs (S) and corporate governance (G). The results of an online stakeholder survey were also used to identify further impacts. As part of further online research, we examined in particular whether actual or potential violations of employee rights and other negative social and environmental impacts could occur along the value chain. The identified impacts were then recorded in a comprehensive list. In an iterative process, the sustainability team and department heads assessed and justified these impacts based on the parameters of extent, scope, irreversibility and probability, each on a five-point scale. After completing the assessment, we defined a quantitative threshold and agreed this with the Executive Board, whereby 22 out of 54 impacts were categorised as material.

The identification of risks and opportunities with regard to their financial materiality was carried out in several steps in accordance with the European Sustainability Reporting Standards (ESRS). Firstly, the existing risk inventory was reviewed to determine which risks are related to environmental, social and governance (ESG) issues. In addition, risks and opportunities were derived from the identified impacts and other sources, taking into account dependencies on natural, human and social resources. The risks were assessed by our Schweizer risk management team. In accordance with ESRS requirements, the quantitative assessment of risks was based on their probability of occurrence and the potential gross amount of loss. In contrast, the assessment of opportunities was initially carried out qualitatively. If an opportunity was categorised as potentially relevant, this was followed a quantitative assessment. The threshold values for financial materiality were determined in line with the assessment and prioritisation methods used in risk management. The quantitative threshold for the risks was based on the existing heat map, while a newly developed heat map was created for the opportunities and agreed with the Executive Board. By defining these thresholds, we identified 10 out of 37 risks and 1 out of 13 opportunities as material.

It is planned to carry out an annual review process of the materiality analysis. This process is coordinated by Sustainability Management in the Finance & Controlling department, which asks the department heads to review the identified impacts. The aim is to determine whether all identified impacts are still current and correctly assessed and whether new impacts have been added that need to be assessed by the department heads. In addition, sustainability management reviews the ESG-related risks and opportunities to determine whether existing risks and opportunities are still up-to-date and correctly assessed and whether new ESG-related risks and opportunities need to be identified and assessed. New material risks and opportunities are identified following the annual review of impact materiality. The review of ESG-related risks and opportunities is integrated into internal risk management. In accordance with Schweizer's Group risk management guidelines, this review takes place twice a year to ensure that existing risks and opportunities are up-to-date and correctly assessed and that new ESG-related risks and opportunities are identified and assessed. The results of the review are presented to and confirmed by the Executive Board.

ESRS E1 Climate Change [ESRS E1, IRO-1]

As part of the materiality analysis, SCHWEIZER analysed the impact on climate change, physical and transitory risks. Both our own business division and the upstream and downstream value chain were taken into account. Additional input was provided by the stakeholders who took part in our survey.

When determining the impacts, greenhouse gas emissions in particular were analysed and broken down into Scope 1, 2 and 3 categories. The scope categories relevant to SCHWEIZER were assessed accordingly.

For the physical climate risks, the extent to which the production of printed circuit boards can be affected by extreme weather events such as storms, heavy rain, heat or fires as well as long-term climate changes such as water shortages was analysed. In the upstream value chain, the company identified climate-related risks with regard to the availability of raw materials and materials as well as potential supply disruptions. In the downstream value chain, possible bad debt losses at major customers due to storm damage, flooding or fires were taken into consideration.

Transitory climate risks were also analysed. Cost increases can occur along the entire value chain due to factors such as rising CO_2 prices, higher energy costs, increased waste disposal costs and higher water treatment costs. The physical and transitory risks were assessed on the basis of their relevance and probability of occurrence, both gross and net, i.e. after taking countermeasures into account.

We have identified a significant climate-related risk. Risk RO.8 – Business interruption due to internal events (e.g. fire, natural disasters or other external events) is a physical risk.

To date, SCHWEIZER has not used any medium- to long-term time horizons or climate scenarios to identify and assess physical and transition risks and has not carried out a resilience analysis of the business model in relation climate change.

ESRS E2 Environmental pollution [ESRS E2, IRO-1]

In connection with environmental pollution, all SCHWEIZER Group companies were analysed, with the production sites identified as relevant in terms of potential air, water and soil pollution. Sales companies were excluded from the analysis, as comparatively low emissions are to be expected here. Consultations with potentially affected communities have not yet been conducted. A list of business activities that have led to significant impacts in the area of environmental pollution can be found in the "Overview of significant impacts, risks and opportunities" section.

ESRS E3 Water and marine resources [ESRS E3, IRO-1]

For the water and marine resources division, the geographical regions that are of key importance to SCHWEIZER were analysed. In particular, this is the Schramberg site, which is part of our own business division. The raw materials used to manufacture a printed circuit board are not linked to marine resources, so this topic is not relevant for SCHWEIZER. Potentially affected communities have not yet been consulted.

ESRS E5 Resource utilisation and circular economy [ESRS E5, IRO-1]

As part of the materiality analysis, Schweizer Electronic AG analysed the impacts, risks and opportunities in connection with resource use and the circular economy. The upstream value chains include the extraction of raw materials and the inflow of resources. SCHWEIZER's main resources include basic materials, chemicals, paints, consumables and IT services required for production and administration.

The production of printed circuit boards in our own business area generates waste, including hazardous waste. No consultations have yet been with potentially affected communities. A list of business activities that have led to significant impacts in the area of resource utilisation and the circular economy can be found in the "Overview of significant impacts, risks and opportunities" section.

ESRS G1 Corporate Governance [ESRS G1, IRO-1]

To identify impacts, risks and opportunities in the area of corporate governance, Schweizer Electronic AG has analysed the Schweizer Group's locations for potential corruption risks. In addition to analysing public sources, the results of internal stakeholder surveys were also used to obtain a comprehensive picture of the impacts, risks and opportunities.

Following the derivation of the material impacts, risks and opportunities, these were assigned to the appropriate ESRS standards, whereby the standard with the greatest relevance to the respective impact, risk or opportunity was used. Company-specific impacts, risks and opportunities were marked as such and assigned to the most appropriate ESRS topic standard. Once the ESRS standard had been assigned, the identified impacts, risks and opportunities were clustered into the relevant sustainability aspects, which served as the basis for the sustainability declaration. A comprehensive data point analysis was carried out for the key IROs (Impact, Risks, Opportunities) of the defined sustainability aspects. The aim of this analysis was to determine the material disclosure requirements and relevant data points to be reported. Firstly, the relevant topic standards were reviewed at the level of the disclosure requirements, which are relevant for Schweizer of importance.

In the next step, the specific data points that are important for the individual sustainability aspects were determined for the material disclosure requirements. Insignificant data points were marked and the reasons why a data point is considered insignificant were specified accordingly.

The following list shows the disclosure requirements that were followed in preparing the sustainability declaration based on the results of the materiality assessment:

Disclosure obligations	Page
ESRS 2	
ESRS 2 BP-1: General principles for the preparation of the sustainability statement	2-4
ESRS 2 BP-2: Disclosures related to specific circumstances	3-4
ESRS 2 GOV-1: The role of administrative, management and supervisory bodies	4-6
ESRS 2 GOV-2: Information and sustainability aspects addressed by the organisation's administrative, management and supervisory bodies	6
ESRS 2 GOV-3: Inclusion of sustainability-related performance in incentive schemes	6-7
ESRS 2 GOV-4: Declaration on due diligence	7
ESRS 2 GOV-5: Risk management and internal controls over sustainability reporting	7-8
ESRS 2 SBM-1: Strategy, business model and value chain	8-9
ESRS 2 SBM-2: Stakeholders' interests and positions	10
ESRS 2 SBM-3: Significant impacts, risks and opportunities and their interaction with strategy and business model	11-16
ESRS 2 IRO-1: Description of the process for the identification and assessment of significant impacts, risks and opportunities	16-19
ESRS 2 IRO-2: Disclosure requirements included in ESRS and covered by the company's sustainability statement	16-25

Disclosure obligations	Page
ESRS E1	
ESRS E1 GOV-3: Inclusion of sustainability-related performance in incentive schemes	6-7
ESRS E1-1: Transition plan for climate protection	27
ESRS E1 SBM-3: Significant impacts, risks and opportunities and their interaction with strategy and business model	11-16
ESRS E1 IRO-1: Description of procedures for the identification and assessment of significant climate-related impacts, risks and opportunities	18
ESRS E1-2: Concepts related to climate change mitigation and adaptation	27-28
ESRS E1-3: Measures and resources in connection with the climate concepts	28-29
ESRS E1-4: Goals related to climate protection and adaptation to climate change	29-31
ESRS E1-5: Energy consumption and energy mix	31-32
ESRS E1-6: Gross GHG emissions in Scope 1, 2 and 3 categories and total GHG emissions	32-33
ESRS E1-9: Expected financial effects of significant physical and transition risks and potential climate-related opportunities	Will this year not yet reported
ESRS E2	
ESRS E2 IRO-1: Description of the procedures for the determination and assessment of the assessment of the main impacts, risks and opportunities associated with environmental pollution	18
ESRS E2-1: Concepts related to environmental pollution	35-36
ESRS E2-2: Measures and resources related to environmental protection soiling	36
ESRS E2-3: Objectives related to environmental pollution	36-37
ESRS E2-4: Air, water and soil pollution	Not reported, as limit values not exceeded
ESRS E3	
ESRS E3 IRO-1: Description of the procedures for the determination and assessment of the assessment of significant impacts, risks and opportunities related to water and marine resources	18
ESRS E3-1: Concepts related to water and marine ecosystems resources	38-39
ESRS E3-2: Measures and resources related to water and marine resources	39-40
ESRS E3-3: Goals related to water and marine resources	40
ESRS E3-4: Water consumption	40

Disclosure obligations	Page
ESRS E5	
ESRS E5 IRO-1: Description of procedures for the identification and assessment of significant impacts, risks and opportunities associated with resource use and the circular economy	18-19
ESRS E5-1: Concepts related to resource utilisation and the circular economy	42
ESRS E5-2: Measures and means related to resource utilisation and circular economy	42-43
ESRS E5-3: Objectives related to resource utilisation and circular economy	43-44
ESRS E5-4: Resource inflows	Will this year not yet reported
ESRS E5-5: Resource outflows	44-45
ESRS E5-6: Expected financial effects of impacts, risks and opportunities related to resource utilisation and circular economy	Will this year not yet reported
ESRS S1	
ESRS S1-Phase-In: Mandatory disclosures when using phase-in simplifications	58-64
ESRS S2	
ESRS S2-Phase-In: Mandatory information when using phase-in simplifications	64-66
ESRS G1	
ESRS G1 GOV-1: The role of administrative, management and supervisory bodies	4
ESRS G1 IRO-1: Description of procedures for the identification and assessment of significant impacts, risks and opportunities	16-19

This sustainability declaration contains data points that result from other EU regulations. The following table provides an overview of where the required data points are stated if they material for SCHWEIZER:

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS 2			
ESRS 2 GOV-1 Gender diversity in management and supervisory bodies paragraph 21 letter d	SFDR, Benchmark Regulation	Material	4-6
ESRS 2 GOV-1 Percentage of members of the management body who are independent Paragraph 21 e	Benchmark Regulation	Material	5
ESRS 2 GOV-4 Declaration on due diligence paragraph 30	SFDR	Material	7
ESRS 2 SBM-1 Participation in activities related to fossil fuels Paragraph 40(d)(i)	SFDR, Pillar 3, Benchmark Regulation	Not relevant for SCHWEIZER	-
ESRS 2 SBM-1 Participation in activities related to the manufacture of chemicals Paragraph 40(d)(ii)	SFDR, Benchmark Regulation	Not relevant for SCHWEIZER	-
ESRS 2 SBM-1 Participation in activities in connection with controversial weapons Paragraph 40(d)(iii)	SFDR, Benchmark Regulation	Not relevant for SCHWEIZER	-
ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco Paragraph 40(d)(iv)	Benchmark Regulation	Not relevant for SCHWEIZER	-

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS E1			
ESRS E1-1 Transition plan for realising climate neutrality by 2050 Paragraph 14	EU Climate Law	Material	27
ESRS E1-1 Companies that are exempt from the Paris-aligned reference values Paragraph 16 (g)	Pillar 3, Benchmark Regulation	Material	27
ESRS E1-4 GHG emission reduction targets paragraph 34	SFDR, Pillar 3, Benchmark Regulation	Material	29-31
ESRS E1-5 Energy consumption from fossil fuels broken down by source (only climate-intensive sectors) Paragraph 38	SFDR	Material	31-32
ESRS E1-5 Energy consumption and energy mix Paragraph 37	SFDR	Material	31-32
ESRS E1-5 Energy intensity in with activities in climate-intensive sectors Paragraphs 40 to 43	SFDR	Material	31-32
ESRS E1-6 Gross GHG emissions of the Scope 1, 2 and 3 categories and total GHG emissions Paragraph 44	SFDR, Pillar 3, Benchmark Regulation	Material	32-33
ESRS E1-6 IIntensity of gross GHG emissions Paragraphs 53 to 55	SFDR, Pillar 3, Benchmark Regulation	Material (transitional relief)	32-33

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS E1-7 Removal of greenhouse gases and CO_2-certificates Paragraph 56	EU Climate Law	Not material	-
ESRS E1-9 Risk position of the reference asset portfolio to climate-related physical risks Paragraph 66	Benchmark Regulation	Material (transitional relief)	Not yet this year reported
ESRS E1-9 Breakdown of monetary amounts by acute and chronic physical risk Paragraph 66 (a)	Pillar 3	Material (transitional relief)	Not yet this year reported
ESRS E1-9 Location of significant assets with material physical risk Para-graph 66 (c)	Pillar 3	Material (transitional relief)	Not yet this year reported
ESRS E1-9 Breakdowns of the book value of its properties by energy efficiency class paragraph 67 (c)	Pillar 3	Material (transitional relief)	Not yet this year reported
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities Paragraph 69	Benchmark Regulation	Material (transitional relief)	Not yet this year reported
ESRS E2			
ESRS E2-4 quantity of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer -pollutant that is emitted to air, water and soil Paragraph 28	SFDR	Material	Not, as no limit values exceeded become

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS E3			
ESRS E3-1 Water and marine resources Paragraph 9	SFDR	Material	38-39
ESRS E3-1 Special concept Paragraph 13	SFDR	Not material	-
ESRS E3-1 Sustainable oceans and seas Paragraph 14	SFDR	Not material	-
ESRS E3-4 Total amount of reclaimed and reused water Paragraph 28(c)	SFDR	Material	40
ESRS E3-4 Total water consumption in m3 per Net revenue from own activities Paragraph 29	SFDR	Material	40
ESRS E4			
ESRS 2 IRO1 – E4 Paragraph 16(a)(i)	SFDR	Not material	-
ESRS 2 IRO1 – E4 Paragraph 16 (c)	SFDR	Not material	-
ESRS E4-2 Sustainable practices or concepts in the area of land use and agriculture Paragraph 24(b)	SFDR	Not material	-
ESRS E4-2 Sustainable processes or strategies in the area of oceans/ seas Paragraph 24(c)	SFDR	Not material	-

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS E4-2 Concepts for combating deforestation Paragraph 24(d)	SFDR	Not material	-
ESRS E5			
ESRS E5-5 Non-recycled waste Paragraph 37(d)	SFDR	Material	44-45
ESRS E5-5 hazardous and radioactive waste Paragraph 39	SFDR	Material	44-45
ESRS S1			
ESRS 2 SBM3 – S1 Risk of forced labour Paragraph 14(f)	SFDR	Material (transitional relief)	Not yet this year reported
ESRS 2 SBM3 – S1 Risk of child labour Paragraph 14(g)	SFDR	Material (transitional relief)	Not yet this year reported
ESRS S1-1 Commitments in the area of human rights policy Paragraph 20	SFDR	Material (transitional relief)	Not yet this year reported
ESRS S1-1 Due diligence requirements in relation to issues covered by fundamental conventions 1 to 8 of the International Labour Organisation Paragraph 21	Benchmark Regulation	Material (transitional relief)	Not yet this year reported
ESRS S1-1 Procedures and measures to combat human trafficking Paragraph 22	SFDR	Material (transitional relief)	Not yet this year reported

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS S1-1 Policy or management system relating to the prevention of occupational accidents Paragraph 23	SFDR	Material (transitional relief)	62-63
ESRS S1-3 Processing of complaints Paragraph 32(c)	SFDR	Material (transitional relief)	Not yet this year reported
ESRS S1-14 Number of fatalities and number and rate of occupational accidents Paragraph 88(b) (c)	SFDR, Benchmark Regulation	Material (transitional relief)	Not yet this year reported
ESRS S1-14 Number of days lost due to injury, accident, death or illness Paragraph 88(e)	SFDR	Material (transitional relief)	Partially recognised: 50
ESRS S1-16 Unadjusted gender pay gap Paragraph 97 (a)	SFDR, Benchmark Regulation	Material (transitional relief)	Not yet this year reported
ESRS S1-16 Excessive remuneration of members of management bodies Paragraph 97(b)	SFDR	Material (transitional relief)	Not yet this year reported
ESRS S1-17 Cases of discrimination Paragraph 103(a)	SFDR	Material (transitional relief)	Not yet this year reported
ESRS S1-17 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines Paragraph 104(a)	SFDR, Benchmark Regulation	Material (transitional relief)	Not yet this year reported

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS S2			
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain Paragraph 11(b)	SFDR	Material (transitional relief)	Not yet this year reported
ESRS S2-1 Commitments in the area of human rights policy Paragraph 17	SFDR	Material (transitional relief)	Not yet this year reported
ESRS S2-1 Concepts related to labour in the value chain Paragraph 18	SFDR	Material (transitional relief)	67-69
ESRS S2-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines Paragraph 19	SFDR, Benchmark Regulation	Material (transitional relief)	Not yet this year reported
ESRS S2-1 Due diligence requirements in relation to issues covered by fundamental conventions 1 to 8 of the International Labour Organisation paragraph 19	Benchmark Regulation	Material (transitional relief)	Not yet this year reported
ESRS S2-4 Problems and incidents relating to human rights within the upstream and downstream value chain Paragraph 36	SFDR	Material (transitional relief)	Not yet this year reported

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS S3			
ESRS S3-1 Commitments in the area of human rights Paragraph 16	SFDR	Not material	-
ESRS S3-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines Paragraph 17	SFDR, Benchmark Regulation	Not material	-
ESRS S3-4 Problems and incidents in connection with human rights Paragraph 36	SFDR	Not material	-
ESRS S4			
ESRS S4-1 Concepts related to consumers and end users Paragraph 16	SFDR	Not material	-
ESRS S4-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines Paragraph 17	SFDR, Benchmark Regulation	Not material	-
ESRS S4-4 Problems and incidents in connection with human rights Paragraph 35	SFDR	Not material	-

Disclosure requirement and related data point from other EU legislation	Legal regulation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Act)	Material / not material If material: Chapter	If material: Page
ESRS G1			
ESRS G1-1 United Nations Convention against Corruption Paragraph 10(b)	SFDR	Not material	-
ESRS G1-1 Protection of whistleblowers Paragraph 10(d)	SFDR	Not material	-
ESRS G1-4 Fines for offences against corruption and bribery regulations Paragraph 24(a)	SFDR, Benchmark Regulation	Not material	-
ESRS G1-4 Standards to combat corruption and bribery Paragraph 24(b)	SFDR	Not material	-

2. ENVIRONMENT

2.1 CLIMATE CHANGE

Key aspects, concepts, measures and objectives

As a globally active company in the production and trade of printed circuit boards, we serve customers worldwide. This has an impact on the climate, which reflected in direct and indirect greenhouse gas emissions.

Energy efficiency is a key market driver of our printed circuit board business. Our printed circuit boards make a significant contribution to increasing the fuel efficiency of vehicles in the automotive sector and reducing CO_2-emissions. It is therefore only logical that energy management plays an important at Schweizer. This results from our range of products and services and is particularly important for an energy-intensive company such as ours, not only in terms of conserving resources, but also in terms of cost management.

Effects in connection with the value chain

As part of our materiality analysis, we identified two key sustainability aspects: Climate protection and adaptation to climate change. Standard information on the materiality analysis, risks and opportunities of all areas of the sustainability report is set out in section IRO-1 Description of the process for identifying and assessing material impacts, risks and opportunities, general process description, in the ESRS 2 document section. These aspects are of particular importance to our company and are reflected in our strategic measures.

Our material sustainability aspects include the following impacts, risks and opportunities.

- **Direct emissions (Scope 1):** These include all direct greenhouse gas emissions resulting from our own production processes at the Schramberg site.
- **Indirect emissions (Scope 2):** These are indirect emissions caused by the energy we purchase from external suppliers.
- **Indirect upstream emissions (Scope 3):** These emissions occur in the upstream value chain, for example through the production and transport of raw materials.
- **Indirect downstream emissions (Scope 3):** These include emissions that occur in the downstream value chain, for example through the use of our products by customers.
- **Positive impact on the energy and greenhouse gas balance in the downstream value chain thanks to energy-saving and more efficient printed circuit boards:** Our energy-saving and more efficient printed circuit boards have a positive impact on the energy and greenhouse gas balance in the downstream value chain. These help to increase the energy efficiency of our customers in the automotive sector and CO_2-emissions.

Greenhouse gas emissions in our own business division mainly result from the consumption of energy, in particular electricity and gas. Hazardous waste that is sent for internal treatment also contributes to emissions. These processes are key factors that influence our direct (Scope 1) and indirect (Scope 2) emissions.

In the upstream value chain, the main drivers of greenhouse gas emissions are transport and the extraction of raw materials, particularly copper, palladium and gold. These materials are essential for the production of our printed circuit boards but cause significant emissions during their extraction and transport to our production sites.

In the downstream value chain, greenhouse gas emissions are mainly caused by the transport of our products to customers and recycling as a system component. These processes are crucial for the life cycle analysis of our products and have a significant impact on indirect emissions (Scope 3).

By continuously optimising our processes and implementing sustainable practices, we are working to reduce greenhouse gas emissions in all areas of our value chain. This is an integral part of our sustainability strategy and helps us to achieve our environmental goals and minimise our ecological footprint.

In addition to our endeavours to make a contribution to climate protection, we also see the need to adapt our processes to the future challenges of climate change and to make a positive contribution with our products.

The identified risk of "business interruption due to internal events (e.g. fire), natural disasters or other external events", precautions and preventive safety measures are taken to minimise and eliminate the risks.

Transition plan for climate protection [E1-1]

Our company is committed to making a sustainable contribution to climate protection. We have already defined specific reduction targets for our greenhouse gas emissions in Scope 1 and 2. We always pay attention to the economic viability of our measures to ensure that our climate protection strategies are both ecologically and economically sustainable. We have not yet defined a specific target for limiting global warming to 1.5°C in line with the Paris Agreement. However, we are working hard to develop appropriate measures and targets in order to make our contribution to the global climate protection agenda. Our long-term goal is to achieve climate neutrality by 2050. This requires continuous effort and innovation in all areas of our company. We are determined to this path consistently and to regularly review and adjust our progress. Our transition plan for climate protection is an important step towards a sustainable future. We are aware of the challenges and will continue to work hard to achieve our climate targets and a positive contribution to global climate protection. We have ourselves the goal of achieving climate neutrality and have also formulated this goal. However, there are currently no concrete measures or a concept in place, as we want to achieve the targets by 2030 as a first step.

Our concepts in connection with climate protection and adaptation climate change [E1-2] [MDR-P]

The corporate goal of harmonising the needs of the environment with the careful use of energy is an indispensable part of the Schweizer corporate concept. This objective is into account through environmental impact assessments as part of the development of new products, processes and materials as well as new investments. This is based on the DIN EN ISO 14001 and DIN EN ISO 50001 standards, which address our key sustainability aspect of climate change. In ISO 14001, the topic is in the environmental aspect "Emissions to the atmosphere". However, other environmental aspects are also addressed through the implementation of the ISO standard. We evaluate the environmental aspects identified within the scope of ISO 14001 and communicate these both internally and externally. The aspects assessed include

- Energy consumption
- CO_2-footprint
- Water consumption
- Waste
- Use and consumption of resources (raw materials)

The direct emissions (Scope 1), indirect emissions (Scope 2) and indirect upstream and downstream emissions (Scope 3) are identified as impacts. These emissions are part of the environmental concept and are evaluated in the environmental aspects. DIN EN ISO 14001 has been implemented in Schweizer Electronic AG's management system for many years and aims to achieve continuous improvement of environmental issues and their objectives. DIN EN ISO 50001 is also integrated into the management system and supplements the environmental concept with aspects for reducing greenhouse gas emissions. Upstream and downstream emissions (Scope 3) are currently being planned and will become part of the climate concept over the next two years.

In order to fulfil the legal requirements, the company works closely with the responsible authorities and is subject to various monitoring procedures that serve to verify compliance with the limit values in the areas of water and emissions. The effectiveness of our measures is monitored by our environmental protection, energy management, water protection, waste and hazardous goods officers and reported to the Executive Board in an annual environmental and energy report. This report also describes and proposes improvements and measures still to be implemented. These measures are planned and implemented in consultation with the company management. Internal and external audits are used to monitor the measures and the implementation of the standards.

We implement the environmental aspect of "emissions into the atmosphere" by complying with legal requirements and being monitored by the authorities. Our goal is to reduce greenhouse gas emissions in the areas of direct and indirect emissions by 20 % by 2030. We will achieve this by reducing energy consumption and increasing the proportion of green electricity.

Through the application of DIN EN ISO 50001 and legal requirements, we aim to continuously improve our energy efficiency. The energy concept defines five key figures that serve as a guideline.

The management is responsible for implementing the processes within the scope of ISO 14001 and ISO 50001. The effectiveness of our measures is monitored by our environmental protection, energy management, water protection, waste and hazardous goods officers and reported to the Executive Board in an annual environmental and energy report. These reports also contain suggestions for future improvement measures. As part of a regular external audit, we also ensure that our management system works as a whole and that we are making steady progress in dealing with our environmental impact.

Our measures and resources [E1-3] [MDR-A]

As part of our sustainability strategy, we at Schweizer Electronic AG attach great importance to energy efficiency in order to achieve a reduction in greenhouse gas (GHG) emissions. Our key measures include the optimisation of energy consumption, the implementation of innovative technologies and the continuous improvement of our processes.

The first measure concerns **the replacement of the chiller for process cooling in plant S5**. This measure aims to reduce CO_2-emissions by 20 % by 2030 compared to 2019. This relates to both direct emissions (Scope 1) and indirect emissions (Scope 2). The measure is aligned with the DIN EN ISO 50001 energy efficiency standard and aims to reduce energy consumption and achieve specific electricity consumption targets. This measure achieves a GHG emissions reduction of 67.9 tCO_2e. The status of the measure is already at 100 % and the time horizon is set until 2024.

The second measure is the **connection of EWP2 to low-temperature heat recovery**. Here, too, the aim is to reduce CO_2e emissions by 20 % by 2030 compared to 2019. This measure also includes direct and indirect emissions and follows the energy efficiency standard DIN EN ISO 50001. The aim is to reduce energy consumption and achieve specific electricity consumption targets. The GHG emissions reduction achieved is 111.5 tCO_2e. The status of this measure is also 100 % and the time horizon is until 2024.

The third measure concerns the **automation of supply and exhaust air while production is stopped**. Here, too, the aim is to reduce CO_2e emissions by 20 % by 2030 compared to 2019. This measure includes direct and indirect emissions and follows the energy efficiency standard DIN EN ISO 50001. The aim is to reduce energy consumption and achieve specific electricity consumption targets. The GHG emissions reduction achieved is 34.2 tCO_2e. The status this measure is also 100 % and the time horizon is until 2024.

Schweizer Electronic AG does not yet have a complete balance sheet for Scope 3 greenhouse gas emissions. However, we are aware of the importance of these emissions and are working intensively to implement comprehensive accounting.

One of our key measures in this context is the introduction of detailed Scope 3 accounting, which also takes into account the supply chain with our suppliers and customers. By working closely with our partners in the value chain, we aim to precisely record and specifically reduce the indirect emissions caused by upstream and downstream processes.

Our goals [E1-4] [MDR-T]

An important milestone is the reduction of CO_2-emissions in Scope 1 and Scope 2 by at least 20 % by 2030, starting from the base year 2019, in which our emissions were around 14,500 tonnes of CO_2-equivalent. This reduction is to be achieved through various measures, including optimising our production processes and improving energy efficiency.

We to reduce CO_2e emissions in Scope 1 and Scope 2 by 20 % by 2030 compared to 2019. Scope 1 comprises direct emissions, while Scope 2 covers indirect emissions. Achieving this target depends on the economic situation. As a sub-target, we have set ourselves the goal of switching to 100 % green electricity. Contracts for the purchase of green electricity have already been concluded and are to be finalised from 2026. The decision to procure 100 % of our electricity renewable energy sources from 2026 means that the target is likely to be achieved before 2030.

No specific targets have yet been defined for the reduction of Scope 3 emissions. Scope 3 includes both indirect upstream and downstream emissions.

As part of our energy management system in accordance with DIN EN ISO 50001, we at Schweizer Electronic AG have defined specific targets to promote climate protection and adapt to climate change. These targets are an integral part of our business processes and have a positive influence on the identified impacts, risks and opportunities (IROs). We have set ourselves the following energy targets:

Reduction of electricity consumption per production hour: By optimising our production processes, we aim to significantly reduce electricity consumption per production hour. This contributes directly to the reduction of our greenhouse gas emissions and improves our energy efficiency.

Reduce electricity consumption during idle times: We implement measures to minimise electricity consumption during idle times. This includes the implementation of energy management systems that monitor and control energy consumption outside of production times.

Expansion of the meter network for the refrigeration system: The expansion of our meter network enables more precise monitoring and control of the energy consumption of our refrigeration systems. This leads to a more efficient use of resources and a further reduction in emissions.

Saving energy by replacing old lights with LED lights: Replacing outdated lighting systems with energy-efficient LED lights is another measure to reduce our energy consumption. This not only helps to reduce operating costs but also reduces our CO_2-footprint.

These energy targets are firmly anchored in our business processes and are continuously monitored and adjusted to ensure that we achieve our sustainability targets and make a positive contribution to climate protection.

	Base year (2019)	**Target for 2030**
GHG emissions (in tonnes of CO_2 e)	14,078	11,600
Scope 1 GHG emissions (in tonnes of CO_2 e)	4,921	4,100
Scope 2 GHG emissions, location-based (in tonnes of CO_2 e)	9,158	7,631

The targets for reducing greenhouse gas emissions were set taking into account the economic aspects at the time of the energy crisis. At the time the targets were agreed, the future development of energy prices was not predictable. Despite the uncertainties and volatile energy prices, we plan continue utilising renewable energies.

The base year for the assessment of our greenhouse gas emissions was determined according to production capacity utilisation. In 2019, we recorded fully utilised production capacity. External factors such as climate fluctuations, high temperatures or precipitation were not taken into account in this assessment.

The calculation of greenhouse gas emissions was based on energy consumption in 2019. The emissions were calculated using the CO_2-factors specified by the energy supplier. This methodology ensures precise and traceable recording of our emissions and forms the basis for our further measures to reduce greenhouse gas emissions.

There are currently no climate targets that are compatible with limiting global warming to 1.5°C. Our current targets are not verified or backed up by external third parties.

We are aware of the importance of these global climate targets and are continuously working to further develop and strengthen our sustainability strategy. Our aim is to formulate future climate targets that are in line with international efforts to limit global warming and can be verified by independent third parties.

In 2024, we not only achieved our target, but also exceeded it by 3%. This is due to the higher proportion of green electricity in the energy mix. In order to achieve the 2030 target in the long term, it is therefore crucial to procure electricity exclusively from renewable energy sources.

At present, there are no specific targets for "adapting to climate change". We recognise the importance of this topic and are working hard to develop appropriate strategies and measures to make a positive contribution in this area as well. Our aim is to formulate and implement clear and measurable climate change adaptation targets in the near future.

Key figures

Energy consumption and energy mix [E1-5] [MDR-P]

The energy indicators relate exclusively to the Schramberg site. Energy consumption from non-renewable energy includes the consumption of purchased electricity, which comes from both fossil fuels and renewable energy sources. This data is based on the information provided by the energy supplier. We also use a combined heat and power plant that runs on gas and generates electricity for our own production facility. We have also implemented measures to save energy and increase efficiency in order to reduce our ecological footprint.

	2024
(1) Fuel consumption from coal and coal products (MWh)	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	0
(3) Fuel consumption from natural gas (MWh)	21,559
(4) Fuel consumption from other fossil sources (MWh)	0
(5) Consumption from purchased or received electricity, heat, steam and cooling from fossil sources (MWh)	8,171
(6) Total consumption of fossil energy (MWh) (sum of lines 1 to 5)	**29,730**
Share of fossil sources of total energy consumption (in %)	72.2
(7) Consumption from nuclear power sources (MWh)	**1,159**
Share of consumption from nuclear sources in total energy consumption (in %)	2.8
(8) Fuel consumption for renewable sources, including biomass (including industrial and municipal waste biological origin, biogas, hydrogen from renewable sources, etc.) (MWh)	0
(9) Consumption from purchased or received electricity, heat, steam and cooling from renewable sources (MWh)	10,312
(10) Consumption of self-generated renewable energy other than fuels (MWh)	0
(11) Total consumption of renewable energy (MWh) (sum of lines 8 to 10)	**10,312**
Share of renewable sources in total energy consumption (in %)	25.0
Total energy consumption (MWh) (sum of lines 6, 7 and 11)	**41,201**

In 2024, we generated a total of 5,345 MWh of non-renewable energy ourselves through our gas-fired combined heat and power plant, which represents an increase of 10.6 % compared to the 4,831 MWh in 2023. This energy is converted in equal parts into electricity and waste heat, with 50 % of the energy generated being utilised in each case.

Self-generated renewable energy remained unchanged at 0 MWh in both years. This shows that our energy generation continues to be based entirely on non-renewable sources.

Energy generation by the combined heat and power plant accounts for around 10 % of total energy consumption. This continuous use of the combined heat and power plant to generate energy enables us to cover part of our energy requirements ourselves while maximising efficiency through the use of waste heat. The increase in self-generated energy in 2024 is a positive indicator of the performance and reliability of our power plant

	2024	2023
Self-generated non-renewable energy (MWh)	5,345	4,831
Self-generated renewable energy (MWh)	0	0

Energy consumption is determined by evaluating energy meters and analysing the evidence from the energy suppliers' invoices. Some of the values shown in the tables can be taken directly from the available invoices. In cases where this is not possible, the values are determined using appropriate calculations.

The calculations for total energy relate to the consumption of electricity, gas and refrigeration. This comprehensive view enables a precise and transparent presentation of the entire energy consumption, which is essential for the preparation of a well-founded annual report.

Energy intensity [E1-5] [MDR-M]

The table shows the relationship between total energy consumption in MWh and sales revenue from in-house production at the Schramberg site. The analysis showed a negative change of 12%. This change is due to the low capacity utilisation and high idle energy consumption.

Energy intensity per net revenue	2024	2023	Change on previous year in % (% N / N-1)
Total energy consumption from activities in climate-intensive sectors per net revenue from activities in climate-intensive sectors (MWh/ currency unit)	0.000608	0.00536	12

Gross GHG emissions in Scope 1, 2 and 3 categories and total GHG emissions [E1-6] [MDR-M]

	Looking back				Stage destination	
	Base year (2019)	2024	2023	Change compared to previous year in % (% N / N-1)	2030	2050
Scope 1 GHG gross emissions (t CO_2e) (without biogenic missions)	9,158	6,937	9,033	-23	7,631	0
Site-related scope 2 GHG gross emissions (t CO_2e) (without biogenic missions)	4,921	4,333	4,184	3	4,921	0

The calculations to determine GHG emissions only apply to the Schramberg site. Other sites were not taken into account as they are not production sites but sales offices. This focussing ensures that the analysis of energy consumption at the Schramberg site remains precise and specific.

Greenhouse gas intensity based on net revenue [E1-6] [MDR-M]

Compared to energy consumption, the location-related Scope 1+2 emissions have deteriorated by 0.22%. This small change, despite the poor capacity utilisation, is due to the CO_2 content of the electricity mix.

GHG intensity per net revenue	2024	2023	Change on previous year in % (% N / N-1)
Total GHG emissions from Scope 1 & 2 (location-based) per net revenue (t CO_2e/currency unit))	0.000148	0.000147	0.22

Company-specific key figures [MDR-M]

The table shows a detailed analysis of the key energy figures for the years 2024 and 2023. The specific energy consumption and emissions were calculated per production hour to ensure precise comparability.

Further key energy figures	2024	2023
Specific total energy consumption (kWh/h production)	163.5	120.61
Specific electrical energy consumption (kWh/h production)	87.5	75.7
Specific compressed air consumption per standard cubic metre (Nm^3/ h production)	83.1	74.6

Comments on the energy indicators

- **Specific total energy consumption:** The specific total energy consumption has risen from 120.61 kWh/h of production in 2023 to 163.5 kWh/h of production in 2024. This increase of 35.5 % is mainly due to the reduced capacity utilisation in production and the high idle energy consumption.
- **Specific electrical energy consumption:** The specific electrical energy consumption has increased from 75.7 kWh/h production in 2023 to 87.5 kWh/h production in 2024. This corresponds to an increase of 15.6 %.
- **Specific compressed air consumption:** The specific compressed air consumption per standard cubic metre has risen from 74.6 Nm^3/h of production in 2023 to 83.1 Nm^3/h of production in 2024, which corresponds to an increase of 11.4 %

The following table shows a detailed analysis of the key emissions figures for the years 2024 and 2023. The specific energy consumption and emissions were calculated per hour of production to ensure precise comparability.

Weitere Emissionskennzahlen	2024	2023
Total CO_2-footprint (kg CO_2/h production)	39.7	37.6
CO_2-footprint from the production of printed circuit boards (kg CO_2/h production)	39.7	37.3
CO_2-footprint of the transport of printed circuit boards (kg CO_2/h production)	0.29	0.3

Comments on the energy indicators

- **Specific total energy consumption:** The specific total energy consumption has risen from 120.61 kWh/h of production in 2023 to 163.5 kWh/h of production in 2024. This increase of 35.5 % is mainly due to the reduced capacity utilisation in production and the high idle energy consumption.
- **Specific electrical energy consumption:** The specific electrical energy consumption has increased from 75.7 kWh/h production in 2023 to 87.5 kWh/h production in 2024. This corresponds to an increase of 15.6 %.
- **Specific compressed air consumption:** The specific compressed air consumption per standard cubic metre has risen from 74.6 Nm^3/h of production in 2023 to 83.1 Nm^3/h of production in 2024, which corresponds to an increase of 11.4 %.

The following table shows a detailed analysis of the key emissions figures for the years 2024 and 2023. The specific energy consumption and emissions were calculated per hour of production to ensure precise comparability.

2.2 ENVIRONMENTAL POLLUTION

Key aspects, concepts, measures and objectives

Pollution is a key issue that has a significant impact on both the environment and the business activities of companies. It is crucial for our company to understand and address the impacts, risks and opportunities associated with air, soil and water pollution. This applies not only to our own business area, but also to the upstream and downstream value chain.

The relevance of environmental pollution for our company lies in the need to implement sustainable practices in order to remain competitive in the long term and fulfil regulatory requirements. Pollution can have a significant impact on the environment, people's health and the company's reputation. It is therefore essential to take measures to reduce emissions and minimise environmental impact.

This chapter describes the key aspects of air, soil and water pollution in connection with our business model and the value chain. Our company addresses environmental pollution both in its own business operations and in the upstream and downstream value chain. This includes the emissions caused by our production processes as well as the environmental impact caused by the disposal of waste and the transport of our products.

Various forms of environmental pollution play a role in our own business division. These include emissions such as metal content in wastewater. The processes that lead to these emissions include exhaust air from drying ovens, combustion gases from combined heat and power plants (CHP) and the use of our vehicle fleet.

In the upstream value chain, environmental pollution particularly affects the extraction and processing of raw materials as well as transport and mobility, which are not directly controlled by our company.

Downstream, environmental pollution relates in particular to waste disposal and transport carried out our customers. It is important to also consider the aspects of the upstream and downstream value chain in order to develop a holistic sustainability strategy.

Effects in connection with the production

Standard information on the materiality analysis, risks and opportunities of all areas of the sustainability report is set out in section IRO-1 Description of the process for identifying and assessing material impacts, risks and opportunities, general process description, in the ESRS 2 document section.

We have identified the following areas in the context of dual materiality:

Air, soil and water pollution in our own business areas: We are actively working to prevent environmental pollution in our own business areas. This includes measures to reduce emissions and waste as well as compliance with strict environmental standards.

Air, soil and water pollution in the upstream value chain: Although this area is not currently monitored intensively, our suppliers are subject to the Code of Conduct. They are regularly assessed, whereby environmental aspects are also taken into account.

Air, soil and water pollution in the downstream value chain:

As part of our efforts to reduce environmental pollution, we have identified the downstream activities that could potentially lead to air, soil and water pollution. These activities include:

Waste disposal: The disposal of waste is a significant challenge. We work closely with our waste disposal partners to ensure that waste is disposed of properly and in an environmentally friendly manner. Removals of chemicals or containers are carefully checked and documented to minimise the risk of environmental pollution. Within our own business area, we always endeavour to reduce waste and promote sustainable disposal methods.

Mobility and transport: The transport of goods and materials, particularly by vehicles that do not belong to Schweizer, can also lead to environmental pollution. Although there is currently no specific concept for reducing these emissions, we are continuously working to minimise the environmental impact of our transport activities. This includes working with our transport service providers to ensure that transport is carried out in a safe and environmentally friendly manner. Our commitment to sustainability and environmental protection is underpinned by compliance with DIN EN ISO 14001 and regulatory requirements. We are regularly monitored by independent third parties and authorities to ensure that we comply with all legal requirements and achieve our environmental goals.

Our concepts [E2-1] [MDR-P]

The corporate goal of harmonising the needs of the environment with the careful use of energy is an indispensable part of the Schweizer corporate concept. This is based on the DIN EN ISO 14001 and DIN EN ISO 50001 standards, which address key sustainability aspects such as climate change and strive to continuously improve environmental concerns and energy efficiency (E1 standard).

As part of our continuous endeavours to reduce our environmental impact, we have implemented a structured concept for the use of chemicals in our production processes. We pay particular attention to newly introduced substances, which are subject to a comprehensive environmental compatibility test procedure. This careful evaluation ensures that all chemicals used can be effectively treated by our in-house wastewater treatment plants, which is a significant contribution to our holistic approach to environmental protection.

Air emissions and monitoring

Our exhaust air is subject to stringent monitoring by independent third parties. Our emissions management concept consistently pursues the goal of not only complying with legal limits but also falling below them.

The solvent-containing exhaust air from the drying ovens for the stop varnish is cleaned using bio-filtration. These biocatalysts utilise the metabolic activity of microorganisms to break down pollutants and odours from exhaust air and exhaust gas streams. By converting them into non-toxic, odourless substances such as carbon dioxide and water, we effectively minimise environmental pollution. Furthermore, dusty exhaust air from drilling and milling machines is cleaned by cyclones and filter systems and the exhaust gases from our combined heat and power plant are treated by a catalyser.

Plant safety and soil protection

For wet processes, including electroplating machines, etching plants, tank farms and wastewater facilities, we implement high-quality safety standards to prevent leaks and chemical spillages. Sealing the floors and special floor channels in the electroplating area enable large quantities of wastewater to be collected in the event of an incident.

Transport and logistics

Our transport and mobility concepts take into account the company's own vehicle fleet as well as the legal requirements for documenting and monitoring waste transport and empties. Compliance with regulatory requirements in this area is a key component of our environmental management.

Raw material extraction and processing

In the area of raw material extraction, SCHWEIZER follows the legal requirements while taking economic factors into account in order to ensure responsible and sustainable resource utilisation. The development of specific concepts to further minimise the environmental impact and increase efficiency is recognised as a future need for action. Similarly, no specific concepts have yet been developed in the area of raw materials processing, apart from legal requirements and economic considerations. We are aware of the need to develop supplementary concepts in order to further reduce the environmental impact and improve the sustainability of production processes.

Our measures and resources [E2-2] [MDR-A]

As part of our continuous efforts to improve the environmental compatibility and efficiency of our wastewater treatment plant, we have implemented a number of measures aimed at optimising the monitoring, analysis and safety of the plant.

Regular inspection of the wastewater outlet

Continuous monitoring of the wastewater outlet is crucial to ensure that the wastewater quality meets the legal requirements. Regular samples are taken and analysed in order to detect possible contamination at an early stage and initiate appropriate countermeasures.

Own laboratory in the wastewater plant:

The establishment of an in-house laboratory within the wastewater plant enables wastewater samples to be analysed quickly and precisely. This helps to increase the efficiency of monitoring and shorten the response time when identifying problems.

Visualised and automated wastewater system:

The implementation of a visualised and automated system significantly improves the monitoring and control of the wastewater treatment plant. This includes the installation of sensors that enable real-time monitoring and optimise operating processes.

Catch basin for the entire wastewater area: The wastewater system is installed in a catch basin that offers capacity for collecting far more than the volume of wastewater produced. This ensures that no environmental pollution occurs in the event of a leak or overload and that the wastewater is safely collected.

Regular inspections by authorities: In order to ensure compliance with legal regulations, regular inspections are carried out by the relevant authorities. These inspections serve to confirm the proper functioning of the wastewater system.

Our goals [E2-3] [MDR-T]

No targets were defined in relation to environmental pollution in the reporting year. Our company focussed on monitoring existing processes and systems and ensuring that all legal requirements are met. Although no new initiatives or projects were introduced to combat pollution, our commitment to environmental protection and sustainability remains unchanged.

We recognise the importance of continuous improvement and the development of new concepts to reduce environmental pollution. In the coming year, we will therefore pay more attention to identifying and implementing innovative solutions and measures that can contribute to reducing environmental pollution. Our aim is to minimise the environmental impact of our production processes and activities while increasing the efficiency and sustainability of our operations.

Company-specific key figures [MDR-M]

In 2024, our company complied with and even exceeded all legally prescribed values for copper, nickel and tin content in wastewater. The specific key figures for 2024 compared to 2023 are as follows:

Copper content in wastewater: In 2024, the copper content in wastewater was 0.24 mg Cu/l. This is well below the legal limits and shows that our measures to reduce copper pollution in wastewater have been successful.

Nickel content in wastewater: The nickel content in wastewater was 0.04 mg Ni/l in 2024. Here, too, we met and exceeded the legal requirements, which confirms the effectiveness of our strategies for minimising nickel pollution in wastewater.

Tin content in wastewater: In 2024, the tin content in wastewater was 0.01 mg Sn/l. This value is also well below the legal limits, which indicates that our efforts to reduce tin pollution in wastewater have been successful.

Our company has continuously endeavoured to minimise the environmental impact of our production processes and not only meet but exceed the legal requirements.

The key figures mentioned above are proof of the effectiveness of our environmental management systems and the successful implementation of our measures to reduce the pollutant load in wastewater.

Company-specific key figures	**2024**	**2023**
Copper content in wastewater (mg Cu/l wastewater	0.28	0.24
Nickel content in wastewater (mg Ni/l wastewater)	0.04	0.16
Tin content in wastewater (mg Sn/l wastewater)	0.02	0.01

The values are measured both internally using monitored measuring equipment and by external third parties. Our company relies on a combination of internal and external monitoring mechanisms to ensure the accuracy and reliability of the measurements. Internally, the measurements are carried out using calibrated and monitored measuring equipment that is regularly maintained and checked to ensure high precision and consistency of the results. These internal measurements enable us to continuously monitor compliance with legal limits and the effectiveness of our environmental management systems.

2.3 WATER- AND MARINE RESOURCES

The production of printed circuit boards at Schweizer is a water-intensive process, which makes the consumption of fresh water and the generation of production-related wastewater important indicators for the environment.

The consumption of water in production is the most important indicator, as it accounts for 70 to 80 % of the total water inflow (consisting of city water and rainwater). The remainder of the water inflow is divided between social water consumption, water consumption by air conditioning systems and biofilters, generally evaporated water and water required to operate the absorption chiller.

Every printed circuit board undergoes many so-called wet processes. These are processes in which material is electrolytically or chemically applied or chemically or physically removed. The aqueous solutions used for this process must be carefully rinsed off the PCB surface to prevent carryover into other solutions or quality impairments on the PCB. The aim of the rinsing process is to use exactly as much water in each process section as is necessary to minimise water consumption, but not too little. Using too little rinsing water could contaminate subsequent process solutions, resulting in the consumption of chemical resources and possibly an increase in waste. The greatest risk is that an insufficiently rinsed circuit board will corrode or malfunction in any way due to contamination with salts and the elaborately manufactured product will have to be disposed of.

Schweizer has taken numerous measures to minimise the amount of flushing water, all of which are effective in their own right and also complement each other very well when combined. These measures are discussed in more detail under item E3-2- measures and resources.

<u>Effects in connection with the process</u>

In the area of water resources, both the contribution of water consumption and the discharge of wastewater were assessed as a material impact. Standard information on the materiality analysis, risks and opportunities for all areas of the sustainability report is set out in section IRO-1. Our approach to identifying and assessing material impacts, risks and opportunities in the ESRS 2 document section.

The risk of water shortages is currently of secondary relevance, as sufficient water is available at the Schweizer Electronic AG site. Based on the available data, there are also no significant changes in the groundwater level or seasonal water shortages.[1]

1) Aqueduct Water Risk Atlas

The results of this materiality analysis are an important part of Schweizer Electronic AG's sustainability strategy and serve as a basis for future measures and initiatives to promote sustainable development.

<u>Our concepts related to water and marine resources [E3-1] [MDR-P]</u>

The corporate goal of harmonising the needs of the environment with the careful use of energy is an indispensable part of the Schweizer corporate concept. This is based on the DIN EN ISO 14001 and DIN EN ISO 50001 standards, which address key sustainability aspects such as climate change and strive to continuously improve environmental concerns and energy efficiency.

Schweizer's water-intensive processes generate a large amount of wastewater. The treatment of this wastewater consumes a lot of energy and can have a negative impact on the environment. The limit values for the metal content of copper, nickel and tin in wastewater are always complied with. At approx. 80%, the majority of the wastewater is categorised as slightly contaminated. The remainder is divided into the fractions heavily contaminated and contaminated with complexing agents. The wastewater fractions are already separated during the production process so that they do not mix and can be treated in SCHWEIZER'S wastewater plant. SCHWEIZER uses constant analyses to ensure the quality of the water before it is disposed of. This ensures that no damage is caused to the environment or the company.

<u>Our measures and resources [E3-2] [MDR-A]</u>
Schweizer Electronic AG focuses on the efficient use and procurement of water resources in order to minimise water consumption and promote sustainability. The implementation of water treatment measures ensures that water can be reused, which contributes to more sustainable water procurement. Measures are taken to prevent and minimise water pollution from operational activities.

As part of Schweizer Electronic AG's sustainability strategy, comprehensive measures are being implemented to reduce water consumption and ensure environmentally friendly water drainage.

Water consumption
Schweizer Electronic AG has set itself the goal of minimising water consumption in its processes. This is achieved through various measures:

- **Sensitisation of employees:** Every year, all employees are sensitised to the environmental issues that lie within their sphere of influence. They are informed about the company's targets in the area of wastewater and receive information on the status of target achievement in the areas of waste, wastewater and energy consumption several times a year.
- **Cascade flushing:** Cascade flushing is used consistently when planning the systems. The supply of fresh water to the cascades is controlled automatically and depends on the specified flow rate setpoint, the inlet time or the system programme. When the system is at a standstill, water dosing is stopped to avoid unnecessary water consumption.
- **Rainwater utilisation:** Schweizer Electronic AG collects rainwater via the roof surfaces and channels it for internal use. Depending on the amount of rainfall and total annual water consumption, this usually accounts for over 20 % of water consumption. The rainwater collection basins have a volume of over 1,000 m^3 and relieve the sewerage system during heavy rainfall.
- **Water recycling:** Some of the low-polluted water is recycled and in the production processes. In the area of air conditioning systems, for example, this amounts to 3,000 to 4,000 m^3 per year.
- **Discharge of water:** The absolute amount of treated wastewater from the production facilities is limited. Schweizer Electronic AG relies on measures to minimise the amount of process wastewater produced, which begin as early as the planning stage of the plants. The function of the water control system is checked by employees using checklists. The discharge of wastewater is reported on in report E2 Environmental pollution.

The active water consumption review records the amount of fresh water consumed by a specific process system and is also an indication of the amount of wastewater produced by the system. The amount of fresh water supplied to the system (flow meter) is recorded per week. The area of circuit boards passing through the system is selected as the reference value.

The volume of wastewater from the wastewater system measured at the transfer point to the sewer is recorded for the entire operation. This involves process water, which is chemically and physically treated in the in-house wastewater treatment plant and then discharged into the public sewer system.

With regard to investments, there are currently no plans that are directly aimed at minimising water consumption. However, water-saving measures are taken into account when purchasing new equipment.

Our goals [E3-3] [MDR-T]

As part of its environmental and energy targets, Schweizer Electronic AG has set itself the goal of keeping wastewater consumption per process hour below 180 litres per hour by 2024. This target is based on the ISO 14001 concept and is a relative target that applies to the company's production areas. It is not based on any scientific findings and the monitoring process is carried out in accordance with the requirements of ISO 14001. The aim is to keep wastewater consumption constant.

Another target for the years 2025 to 2028 is the monthly review of the water consumption of the production facilities. This target is also based on the concept of DIN EN ISO 14001 but is an absolute target and applies specifically to the PCB production areas of Schweizer Electronic AG. As with the previous target, it is not based on any scientific findings and the monitoring process is carried out in accordance with the requirements of ISO 14001. There is no reference year or reference value for measuring progress, and no staged or interim targets have been set. The progress of this target has already begun.

Key figures [E3-4] [MDR-M]

The following table lists the water consumption of Schweizer Electronic AG in 2024. The water consumption refers to the entire company and includes the water required for production as well as the water used in the staff areas. This includes the water required for the staff social areas and the water for the absorption chiller. The proportion of water purchased from the city is counted via the city water meter. The proportion of city water varies slightly from year to year, depending on the amount of precipitation and total consumption. For 2024, it amounts to 68 %. The remainder of the water consumption, consisting of rainwater and water from the air conditioning systems, is also determined using separate water meters.

	2024
Water consumption (in m^3) fresh water for the entire company	81,153
Recovered and reused water (in m^3) incl. rainwater	26,167
Water intensity (in m^3/ € million)	0.00106
Water intensity (in m^3/h production incl. CHP) (Annual Report 2023, p. 79)	0.286
Wastewater generation m^3/h production, measured at the outlet of the wastewater system	0.187

The amount of wastewater is measured daily if purified water leaves the wastewater system. The measurement is carried out with a calibrated magnetic inductive flow meter, which is replaced annually. The measured wastewater volume is recorded. The production hours are used as a specific parameter in order to put the absolute value in relation to our produced goods. The hours required not only reflect the area of the goods fed into our production, but also their complexity. The production hours are a fixed value per system and if the goods pass through a system, these hours are reported back with the order cancellation. This provides a good picture of how many hours were spent on the goods.

2.4 RESOURCE UTILISATION AND CIRCULAR ECONOMY

Key aspects, concepts, measures and objectives

The production of printed circuit boards requires a high consumption of resources and leads to a considerable amount of waste. A finished printed circuit board consists of numerous materials such as glass, resins, lacquers and metals. Various chemicals such as acids, alkalis, solvents and aluminium are also required for production. In the course of production, these materials and generate waste, which is carefully separated at Schweizer Electronic AG. In 2024, this waste was collected separately in over 60 fractions and most of it was sent for recycling. Careful separation is not only a prerequisite for achieving high recyclable waste volumes, but also helps to minimise disposal costs, as the proportion of waste to be incinerated can be reduced.

The processes and production steps that account for a significant proportion of the total waste generated by Schweizer Electronic AG include the production of the printed circuit board, the application and stripping or development of lacquers and photoresist, the trimming, milling and drilling of the printed circuit boards and the disposal of concentrates and sludge from the treatment of the wastewater produced.

The circular economy is seen as a solution to the global waste problem, slows down the consumption of resources and reduces climate-damaging greenhouse gases. We therefore attach great importance to the avoidance and separation of waste. Through these measures, Schweizer Electronic AG contributes to the sustainable use of raw materials.

Schweizer Electronic AG uses critical or strategic raw materials such as aluminium, boron, cobalt, copper, magnesium, manganese, nickel, phosphate, fluorides from regional extraction and palladium to manufacture printed circuit boards. Added to this are titanium and metals accompanying stainless steel, such as tungsten, which is used in equipment, rare earth metals in magnets, platinum in catalytic converters and lithium in batteries. Other metals that have to be procured from the global market are gold, silver and tin. Increasingly, semi-finished products such as base materials also have to be sourced from non-EU countries. This risk is reflected both in cost increases and in physical procurement. The constellations listed can have a negative impact on the prices of our products. A printed circuit board essentially consists of base materials such as PP and FR4, insulating glass fibre material and epoxy resin. The copper conductor tracks are coated with tin, nickel gold or nickel gold palladium and are protected by a protective lacquer (stop lacquer). In addition, copper foils and various chemicals are used for etching processes, strippers, galvanic and chemical baths and water and wastewater treatment.

Lacquers and solvents are also required for the stop lacquer. Some printed circuit boards contain inlays (solid copper parts) or chips (S-Cells). Anodes for electroplating baths, films and resists for conductor track formation, separating and thermal pads for pressing as well as drilling and milling materials including aluminium are also used in production.

Finally, the blanks are packaged using film, paper and cardboard.

The manufacture of a printed circuit board does not include: production equipment, filters, seals, metal sheets, pads, paper and ion exchange resins.

The dependence on copper as a raw material is particularly striking, although it can be recovered very easily. Copper accounts for around 11 % of the material required to manufacture a printed circuit board.

In addition to the materials mentioned above, large quantities of chemicals such as acids, alkalis and salts as well as paints and solvents are also used. Furthermore, special materials such as drill pads and intermediate layers are used for drilling and milling.

Effects in connection with the manufacturing process

In the area of the circular economy, the **contribution to increasing waste generation** was assessed as a negative and actual impact. This assessment falls under the ESRS E5 standard and indicates the need to take measures to reduce the amount of waste generated. Another identified risk is the **dependence on raw material suppliers and transport routes**. This risk is also categorised under the ESRS E5 standard and highlights the importance of a stable and sustainable supply chain.

In the area of waste, the **contribution to increasing the amount of waste** was also assessed as a negative and actual impact that falls under the ESRS E5 standard. This assessment emphasises the urgency of developing and implementing strategies to prevent and reduce waste.

Our concepts in connection with resource utilisation and the circular economy [E5-1] [MDR-P]

One of the key environmental issues is the responsible use of resources and waste. At Schweizer Electronic AG, this is actively demanded of every employee through the company's mission statement. The mission statement commits everyone to continuous improvement and emphasises the reduction of environmental pollution.

Schweizer Electronic AG has also committed itself to a common understanding of socially responsible corporate governance as part of its Code of Conduct (CoC). A key aspect of this CoC is the minimisation of negative environmental impacts.

An important aspect of effective waste management is to ensure that no unknown or non-disposable materials enter the company. New materials are therefore checked for their composition and disposability in the context of the waste generated at Schweizer Electronic AG before they are procured. This procedure is regulated by the procurement and management process, which is specified by approval processes with associated checklists. In particular, care is taken to ensure that no chemicals are used that cannot be treated in the company's own wastewater system in order to avoid unnecessary waste.

Schweizer Electronic AG relies on various measures for the high-quality disposal of the waste produced, which are described in detail later in the report.

Our measures and resources [E5-2] [MDR-A]

In addition to the statutory requirements for the separation and high-quality recycling of waste, it is the aim of all employees to comply with company guidelines. The aim of these guidelines is to minimise the amount of easily recyclable waste while increasing product complexity and quality requirements.

Schweizer Electronic AG has implemented various measures to this end. Every year, all employees are sensitised to environmental issues within their sphere of influence as part of training courses. They are also informed about the company's objectives, including in the area of waste. Information on the status of target achievement in the areas of waste, wastewater and energy consumption is provided several times a year so that every employee can inform themselves personally.

In addition, line managers receive special training on their knowledge of the waste hierarchy, separation and collection locations. Proper separation of the various waste fractions is achieved through consistent labelling of all collection containers, both large and small. The labelling not only includes the name of the fraction, but also gives examples of what may and may not be placed in the container. Contact persons are also named for any assistance that may be required. The labels are accessible to line managers so that new labelling can be applied quickly if necessary.

The separation of waste is technically supported by the fact liquid waste is not mixed with different solutions that are disposed of. This ensures that the liquid waste can be recycled to the highest possible quality, i.e. material recycling.

The processes at Schweizer Electronic AG are closely monitored analytically and automatic dosing systems are used in many areas to minimise waste caused by contaminated process chemicals and faulty products.

It goes without saying that the necessary waste balances are prepared, which contain all the data required by the authorities and other interested parties, such as quantity, disposal company, waste code number and the hierarchy of disposal. Schweizer Electronic AG must also provide data on waste as part of statistical surveys.

This data is collected by the appointed waste officer(s). Random checks of waste are also carried out on site by the appointed person. The top management is informed during the year by means of interim information at meetings and annually via the waste report integrated into the environmental report. Information on waste, templates, training presentations, locations and targets are stored on a path accessible to department heads, so that the current status is always available.

Schweizer Electronic AG generally takes care qualify several raw material suppliers. However, this has its limits, as certain materials often specified by the customer for the production of a printed circuit board.

The primary goal is to keep the volume of waste constant and not to increase it. This is particularly important as ever higher quality requirements, smaller batches in some cases and increased hole drilling result in more waste. For example, more intermediate drilling layers, more cover layers, an earlier change of bath solutions and finer filters are required. It is generally assumed that the volume of waste will increase specifically, particularly in the area of hazardous waste. In the area of commercial waste, the aim is also to keep the volume of waste constant. Production aids are already being used twice where possible, such as drilling materials. However, there are currently no new dual uses.

The status of the measures is ongoing, and they are always implemented when it makes sense.

Our goals [E5-3] [MDR-T]

Below we show the waste volume targets for Schweizer Electronic AG Schramberg. These targets are based on the concept of target disclosure and information, are defined as relative targets and are monitored by monitoring the quantities generated. These targets are not based on scientific findings.

The waste quantities are recorded by the waste disposal company using its calibrated scales. The quantities are transmitted to Schweizer Electronic AG using weighing slips and invoices and, in the case of hazardous waste, also via the waste disposal certificate.

In order to better establish a link to the production situation, a reference value is also for waste, as described in Chapter E3-2 - Measures and resources in connection with water and marine resources. The production hours are used as a specific variable in order to put the absolute value of the waste mass in relation to our produced goods. The hours required reflect not only the surface area of the goods fed into our production, but also their complexity.

The aim of the monitoring process is to check the quantities produced against the targets. Monitoring takes place on a quarterly basis.

The aim of waste monitoring at Schweizer Electronic AG Schramberg is to maintain a high level of awareness within the company with regard to waste separation and waste generation. Systematic and regular monitoring of waste volumes ensures that all employees are continuously informed about the importance of correct waste separation and the impact of waste generation on the environment.

The following company-specific key figures and objectives are used to quantitatively assess this objective:

- Total waste: ≤ 6.2 kg/h
- Hazardous waste: ≤ 4.25 kg/h
- Commercial waste: 50 tonnes or 0.15 kg/h

Key figures

Purchase of resources

The total mass of products and materials used was determined on the basis of SAP data on material consumption for the production of a printed circuit board at Schweizer Electronic AG.

Waste from manufacturing [E5-5] [MDR-M]

The total amount of waste is regularly recorded and documented by our waste disposal company. This data forms the basis for our analyses. By reporting back the production hours, we can calculate the amount of waste per production hour. This key figure enables us to identify and implement targeted measures to reduce waste.

		2024	2023
1	Total amount of waste generated (in tonnes)	1,931	2,325
2	of which hazardous waste (in tonnes)	1,264	1,503
3	Total quantity of hazardous waste diverted from disposal (in tonnes)	1,056	1,251
4	of which quantity recycled (in tonnes)	1,049	1,240
5	of which quantity treated by other recovery processes (in tonnes)	6	11
6	Total quantity of non-hazardous waste diverted from disposal (in tonnes)	646	680
7	of which quantity recycled (in tonnes)	503	529
8	of which quantity treated by other recovery processes (in tonnes)	144	151
9	Total quantity of hazardous waste destined for disposal (in tonnes)	187	235
10	of which quantity incinerated (in tonnes)	187	235
11	Total quantity of non-hazardous waste destined for disposal (in tonnes)	0	14
12	of which quantity incinerated (in tonnes)	0	14
13	Total amount of non-recycled waste (in tonnes)	187	250
14	Proportion of non-recycled waste (in %)	12	13

The stated quantities of recycled waste refer to the delivery from Schweizer Electronic AG to the disposal company, not to the residues generated by the disposal company.

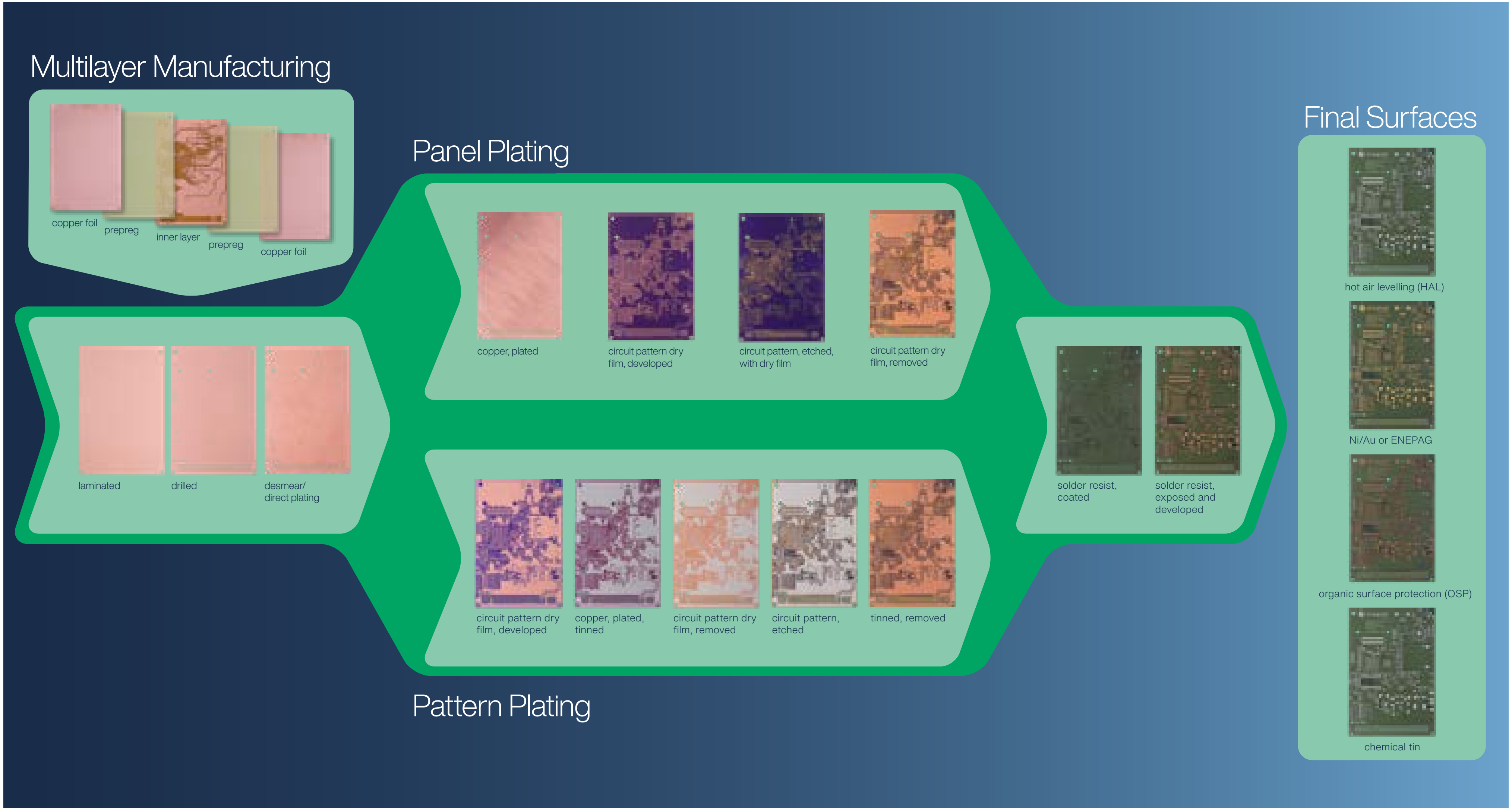
Some of the processes and production steps involved in the manufacture of printed circuit boards, which account for a significant proportion of the total waste generated, are described below.

A key process step in the manufacture of a printed circuit board is the etching of copper in an acidic or alkaline etching solution. These etching solutions make up the largest proportion of the total waste generated at Schweizer Electronic AG, with acid etching accounting for around 40 % and alkaline etching for around 3 %. The copper and the hydrochloric acid it contains are recovered and reused by the disposal companies. The ingredients are also recovered from the alkaline etch.

When etching the conductive pattern, a protective layer is applied which is later removed again. This produces an alkaline solution with hardened varnish, which is disposed of as photoresist waste and accounts for around 7 to 8 % of the total waste generated. Mechanical processing such as trimming, drilling and milling generates non-hazardous waste, which ends up in the PCB scrap and contributes to 8 to 9 % of the total waste generated. Chipboard and laminates are thermally utilised and the resulting dust is disposed of, with the metallic components being recovered.

The in-house wastewater treatment plant produces around 13 % of the waste in the form of copper-containing sludge, from which the metallic components are also recovered. The percentage of waste has remained constant for years. The substances and materials contained are metals, plastics, paper, epoxy resins, wood, copper salts, other metal salts, aluminium, stainless steel, tin, steel, alkaline and acidic solutions, paints, solvents, oils and other materials.

The following diagram shows the most important process sequences of a printed circuit board. It shows how the copper surface is etched to produce the conductive tracks. The protective layer required for etching is blue and, once it has been removed from the PCB, represents a large proportion of the waste.


Multilayer Manufacturing
copper foil
prepreg
inner layer
prepreg
copper foil
laminated
drilled
desmear/
direct plating
Panel Plating
copper, plated
circuit pattern dry
film, developed
circuit pattern, etched,
with dry film
circuit pattern dry
film, removed
Pattern Plating
circuit pattern dry
film, developed
copper, plated,
tinned
circuit pattern dry
film, removed
circuit pattern,
etched
tinned, removed
solder resist,
coated
solder resist,
exposed and
developed
Final Surfaces
hot air levelling (HAL)
Ni/Au or ENEPAG
organic surface protection (OSP)
chemical tin

Company-specific key figures [MDR-M]

These key figures illustrate how much waste the entire company requires per production hour for the printed circuit boards manufactured. In particular, it serves as a control to recognise whether the ratio of the amount of waste to the effort required to manufacture the PCB is drifting apart. The production side for the manufacture of the PCB produces almost exclusively hazardous waste and is therefore a particularly good indicator of the good setting and the consistently good condition of the systems at Schweizer Electronic AG.

Company-specific key figures	2024	2023
Specific amount of waste (kg/h production)	6.8	6.2
Specific hazardous waste (kg/h production)	4.5	4.2

The following company-specific key figures for the years 2023 and 2024 were recorded as part of the circular economy at Schweizer Electronic AG Schramberg:

Specific waste volume: In 2024, the specific waste volume was 6.8 kg/h of production, which represents an increase compared to the previous year, in which the specific waste volume was 6.2 kg/h of production.

Specific hazardous waste: Specific hazardous waste increased to 4.5 kg/h of production in 2024, compared to 4.2 kg/h of production in 2023. This deviation from the target can be attributed to various causes, including special effects such as machine dismantling, special maintenance and trials.

2.5 EU TAXONOMY

The EU taxonomy, which came into force on 12 July 2020, aims to channel capital flows into sustainable projects and activities in order to achieve the EU's 2030 decarbonisation and environmental targets and become the first climate-neutral continent by 2050.

The EU taxonomy results were determined on the basis of the EU Commission Delegated Regulation (EU) 2021/2178 in conjunction with the International Financial Reporting Standards (IFRS) applicable to the consolidated financial statements. As a standardised and legally binding classification system, it defines which economic activities that result in revenue, capital expenditure (CapEx) or operating expenses (OpEx) are considered "environmentally sustainable". The results of this classification must be reported annually on a company-specific basis.

Article 9 of the Taxonomy Regulation lists the following six environmental objectives:

1. climate protection;
2. adaptation to climate change;
3. the sustainable use and protection of water and marine resources;
4. the transition to a circular economy;
5. prevention and reduction of environmental pollution;
6. the protection and restoration of biodiversity and ecosystems.

In 2023, further economic activities were added to the environmental objectives of climate protection and adaptation to climate change, which contribute significantly to the environmental objectives (Delegated Regulation (EU) 2023/2485). These include, example, the manufacture of automotive and mobility components or activities in the aviation sector. SCHWEIZER's business activity, the manufacture of printed circuit boards, was covered by the EU taxonomy for the first time in 2023, i.e. it was described in the delegated act for the first time. With the aforementioned addition of economic activities and the publication of all targets, some of SCHWEIZER's core activity are covered (see section on Turnover). SCHWEIZER'S products are used in the field of renewable energy and energy-efficient energy conversion, thereby also contributing to sustainable topics outside the framework of the EU taxonomy.

With regard to the classification of an economic activity as "environmentally sustainable" within the meaning of the EU taxonomy, a distinction must be made between taxonomy eligibility and taxonomy alignment. The first step is to check whether an economic activity is described in the Delegated Acts and is therefore taxonomy-compliant, i.e. potentially "environmentally sustainable". At SCHWEIZER, we once again conducted a survey of the relevant responsible parties last year. The analyses were carried out in the areas of finance, production and sales, among others, in order to filter out possible relevant economic activities. These were then verified on the basis of actual sales and costs. We categorised the following economic activities as taxonomy eligibility:

Activity	**Number**	**Environmental goal**	**Brief description**
Production of and mobility components	3.18	Climate protection	Production of so-called p² Pack (Embedding-technology), a printed circuit board that increases electrical efficiency and is currently used in hybrid and electric vehicles. By increasing the range in electric mode, CO_2-emissions are reduced
Electricity generation from fossil gaseous fuels	4.29	Climate protection	Maintenance costs for the operation of a CHP unit
Construction, expansion and operation of Wastewater collection and treatment systems	5.3	Climate protection	Maintenance of a wastewater system
Transport with motorbikes, passenger cars and light commercial vehicles	6.5	Climate protection	Leasing of company cars
Collection and transport of non-hazardous and hazardous waste	2.3	Transition to a circular economy	Collection and sale materials discarded during production
Remediation of contaminated sites and areas	2.4	Prevention and reduction of en-vironmental pollution	Operating expenses for pollutant measurements at the former site in Dunningen

Only taxonomy-eligible economic activities can be considered truly 'environmentally sustainable' and therefore taxonomy-aligned if they meet certain criteria. Accordingly, the second step is to evaluate whether the aforementioned technical assessment criteria (significant contribution and Do No Significant Harm (DNSH)) are fulfilled in order to be classified as taxonomy-aligned. For the taxonomy-eligible economic activities, we analysed the technical assessment criteria. As a climate risk analysis is part of the compliance requirements for all economic activities and we have not yet carried this out for any of our sites, our compliance rate for all KPIs is zero.

The calculation of the sales, CapEx and OpEx figures is based on the Delegated Regulation (EU) 2021/2178 and is based on the figures reported in the consolidated financial statements. All fully consolidated and proportionately consolidated Group companies are included in this analysis.

Due to § 289b (1) in conjunction with § 315b HGB and Article 8 of the Taxonomy Regulation, Schweizer is obliged to apply the regulatory provisions of the Taxonomy Regulation. In accordance with Section 315e (1) HGB, the consolidated financial statements of Schweizer Electronic AG as at 31 December 2024 have been prepared in accordance with IFRS. The IFRS consolidated financial statements thus serve as the basis for determining the following figures.

Turnover

The sales ratio is calculated as the ratio of sales revenues from taxonomy-eligible and taxonomy-aligned economic activities in a financial year (numerator) to total sales revenues in that financial year (denominator).

The total sales revenue of EUR 144.5 million for the 2024 financial year forms the denominator of the sales indicator and can be found in the consolidated income statement.

Schweizer's revenue reported in the consolidated income statement is analysed across all Group companies to determine whether it generated with economic activities from all environmental targets.

The following relevant economic activities were identified for Schweizer in the delegated acts:

- 3.18 Production of automotive and mobility components (environmental objective 1)
- 2.3 Collection and transport of non-hazardous and hazardous waste (environmental objective 4)

The successful series ramp-up of p^2 Pack technology in 2024 increased taxonomy-eligible revenue to EUR 32,961 thousand (2023: EUR 6,178 thousand). The p^2 Pack technology is being used in cars with combustion engines, which are supported by hybrid technology to significantly reduce fuel consumption.

The taxonomy-eligible turnover is 23.78 % and the taxonomy-aligned turnover is 0 %.

Investments (CAPEX)

For Schweizer, the denominator of capital expenditure results from additions to property, plant and equipment and intangible assets and from right-of-use assets in accordance with IFRS 16 before depreciation, amortisation and any revaluations for the relevant financial year and without changes in fair value. The total capital expenditure in accordance with Taxonomy Regulation Art. 8 Annex I 1.1.2.1 amounts to EUR 2,849 thousand (see respective disclosures in the consolidated statement of changes in non-current assets).

In accordance with Taxonomy Regulation Art. 8 Annex I 1.1.2.2, the CapEx numerator indicates the share of capital expenditure that is related to either a taxonomy-eligible or taxonomy-aligned economic activity.

In order to determine the numerator for Schweizer, the additions were analysed using the description of economic activities. In the 2024 financial year, investments totalling EUR 518 thousand were incurred in connection with the following economic activities (Regulation (EU) 2021/2139, Annex I, No. 1.1.2.2 categories a) and c)):

- 4.29 Electricity generation from fossil gaseous fuels (environmental objective 1)
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (environmental objective 1)

For the CapEx KPI, this results in a taxonomy-eligible of 18.17 % and a taxonomy-aligned of 0 %.

Operating expenses (OPEX)

The denominator for operating expenses is the sum of expenses for direct, non-capitalised research and development expenses, building renovation measures, short-term leasing, maintenance and servicing, as well as all other direct expenses in connection with the daily maintenance of tangible fixed assets that are necessary to ensure their functionality. SCHWEIZER's total operating expenses in accordance with Taxonomy Regulation Art. 8 Annex I 1.1.3.1 amount to EUR 7,257 thousand and include research and development costs, short-term leasing and maintenance and repair costs.

The OpEx numerator in accordance with Taxonomy Regulation Art. 8 Annex I 1.1.3.2. indicates the proportion of operating expenses with taxonomy-eligible or taxonomy-aligned economic activities, with a CapEx plan or with the acquisition of products from a taxonomy-eligible or taxonomy-aligned economic activity.

The numerator of the OpEx key figure for SCHWEIZER results from an analysis of the expenses recognised in the above-mentioned accounts with regard to taxonomy-eligible economic activities. Therefore, EUR 430 thousand related to the following economic activities are classified as taxonomy-eligible:

- 4.29 Electricity generation from fossil gaseous fuels (environmental objective 1)
- 5.3 Construction, expansion and operation of wastewater collection and treatment systems (environmental objective 1)
- 2.4 Remediation of contaminated sites and areas (environmental objective 5)

The taxonomy eligibility for the OpEx KPI is 5.92 %, for taxonomy alignment 0 %.

In determining the above-mentioned key figures, various test steps were carried out, including documenting the data generation and ensuring reconcilability with other financial information, to avoid any double counting of economic activities.

REPORTING FORM: SHARE OF TURNOVER FROM GOODS OR SERVICES RELATED TO TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE FOR THE YEAR 2024

Financial year 2024				**Criteria for a significant contribution**						**DNSH-criteria ('No significant impairment')**									
Economic activities	Code (a)	Turnover	Share of sales, 2024	Climate protection	Adaptation to climate change	Water	Environmental pollution	Circular economy	Biological diversity	Climate protection	Adaptation to climate change	Water	Environmental pollution	Circular economy	Biological diversity	Minimum protection	Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) sales, year 2023	Category enabling activity	Category Transitional activity
		in TEUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMIC-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%														0%		
Enabling activities		0	0%														0%	E	
Of which transitional activities		0	0%														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
				EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)								%		
Manufacture of automotive and mobility components	CCM 3.18	32,961	22.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.4%		
Collection and transport of and hazardous waste	CE 2.3	1,415	1.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1.0%		
Turnover of taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)		34,376	23.78%	22.8%	0%	0%	0%	0.98%	0%								5.45%		
A. Turnover of taxonomy-eligible activities (A.1+A.2)		34,376	23.78%	22.8%	0%	0%	0%	0.98%	0								5.45%		
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																			
Turnover of activities not subject to taxonomy		110,171	76.22%																
TOTAL		**144,547**	**100%**																

REPORTING FORM: CAPEX SHARE FROM GOODS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE FOR THE YEAR 2024

Financial year 2024				Criteria for a significant contribution						DNSH-criteria ('No significant impairment')									
Economic activities	Code (a)	CapEx	CapEx share, 2024	Climate protection	Adaptation to climate change	Water	Environmental pollution	Circular economy	Biological diversity	Climate protection	Adaptation to climate change	Water	Environmental pollution	Circular economy	Biological diversity	Minimum protection	Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) sales, year 2023	Category enabling activity	Category Transitional activity
		in TEUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMIC-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned))																			
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Enabling activities		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
Of which transitional activities		0	0%	0%													0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
				EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)										
Manufacture of automotive and mobility components	CCM 3.18	0	0,00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								22.45%		
Electricity generation from gaseous fuels	CCM 4.29 / CCA 4.29	208	7.30%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Transport with motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	310	10.88%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								15.57%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings	CCM 7.4 / CCA 7.4	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.06%		
Installation, maintenance and repair of devices for measuring, regulating and controlling the overall energy efficiency of buildings	CCM 7.5 / CCA 7.5	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.51%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.71%		
CapEx of taxonomy-aligned but not environmentally sustainable activities (non-taxonomy-compliant activities) (A.2)		518	18.17%	18.17%	0%	0%	0%	0%	0%								45.29%		
A. CapEx of taxonomy-eligible activities (A.1+A.2)		518	18.17%	18.17%	0%	0%	0%	0%	0%								45.29%		
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																			
CapEx of non-taxonomy-eligible capable activities		2,331	81.83%																
TOTAL		**2,849**	**100%**																

REPORTING FORM: OPEX SHARE OF GOODS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE FOR THE YEAR 2024

Financial year 2024				Criteria for a significant contribution						DNSH-criteria ('No significant impairment')									
Economic activities	Code (a)	OpEx	OpEx share, 2024	Climate protection	Adaptation to climate change	Water	Environmental pollution	Circular economy	Biological diversity	Climate protection	Adaptation to climate change	Water	Environmental pollution	Circular economy	Biological diversity	Minimum protection	Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) sales, year 2023	Category enabling activity	Category Transitional activity
		in TEUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMIC-ELIGIBLE ACTIVITIES																			
A.1 Ecologically sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Enabling activities		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
Of which transitional activities		0	0%	0%													0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
				EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)	EL; N/EL (d)										
Electricity generation from gaseous fuels	CCM 4.29 / CCA 4.29	129	1.78%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.14%		
Construction, expansion and operation of wastewater collection and treatment systems	CCM 5.3 / CCA 5.3	290	3.99%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.21%		
Remediation of contaminated sites and areas	PPC 2.4	11	0.15%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.08%		
OpEx of taxonomy-aligned but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)		430	5.92%	0%	0%	0%	0%	0%	0%								8.43%		
A. OpEx of taxonomy-aligned activities (A.1+A.2)		430	5.92%	0%	0%	0%	0%	0%	0%								8.43%		
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																			
OpEx of activities not eligible for taxonomy		6,827	94.08%																
TOTAL		**7,257**	**100%**																

(a) The code represents the abbreviation of the relevant objective to which the economic activity can make a significant contribution and the number of the section of the activity in the relevant annex that covers the objective, i.e.

- Climate protection: CCM (Climate Change Mitigation)
- Adaptation to climate change: CCA (Climate Change Adaptation)
- Water and marine resources: WTR (Water)
- Circular economy: CE (Circular Economy)
- Pollution prevention and control: PPC (Pollution Prevention and Control)
- Biodiversity and ecosystems: BIO (Biodiversity and ecosystems)

(b) Y - Yes, taxonomy-eligible activity that conforms to the relevant environmental objective
N - No, taxonomy-eligible activity, but not taxonomy-aligned with the relevant environmental objective
N/EL - 'not eligible', activity not eligible for taxonomy for the respective environmental objective

Tables according to footnote (c)

(c) Turnover/total turnover

	Taxonomy-aligned per target	Taxonomy-eligible per target
CCM	0 %	22.77 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0.98 %
PPC	0 %	0 %
BIO	0 %	0 %

(c) CapEx share/total CapEx

	Taxonomy-aligned per target	Taxonomy-eligible per target
CCM	0 %	18.17 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0 %
PPC	0 %	0 %
BIO	0 %	0 %

(c) OpEx share/total OpEx

	Taxonomy-aligned per target	Taxonomy-eligible per target
CCM	0 %	5.92 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0 %
PPC	0 %	0 %
BIO	0 %	0 %

(d) EL - Activity eligible for taxonomy for the respective objective.
N/EL - Activity not eligible for taxonomy for the respective objective.

KEY FIGURES ACCORDING TO EU TAXONOMY – ACTIVITIES IN THE AREAS OF NUCLEAR ENERGY AND FOSSIL GAS

Additional information must be disclosed for economic activities in the field of nuclear energy and energy production from fossil gas (Delegated Regulation (EU) 2022/1214) for environmental objectives 1 and 2. Schweizer has taxonomy-eligible operating expenditures for electricity generation from fossil gaseous fuels and therefore discloses the following reporting forms:

Registration form 1 to 5

Notification form 1 activities in the areas of nuclear energy and fossil gas

	Activity in the field of nuclear energy	Yes/No
1.	The company is active in the research, development, demonstration and deployment of innovative power generation plants that generate energy from nuclear processes with minimal from the fuel cycle, finances such activities or holds risk positions in connection with these activities.	No
2.	The company is active in the construction and safe operation of new nuclear facilities for the generation of electricity or process heat – including for district heating or industrial processes such as hydrogen production – as well as in their safety improvement using the best available technologies, finances such activities or holds risk positions in connection with these activities.	No
3.	The company is active in the safe operation of existing nuclear facilities for the generation of electricity or process heat – including for district heating supply or industrial processes such as hydrogen production – as well as in their safety-related improvement, finances such activities or holds risk positions in connection with these activities.	No
	Activities in the fossil gas sector	
4.	The company is active in the construction or operation of plants for the generation of electricity from fossil gaseous fuels, finances such activities or holds risk positions in connection with these activities.	Yes
5.	The company is active in the construction, modernisation and operation of plants for combined heat, power and cooling with fossil gaseous fuels, finances such activities or holds risk positions in connection with these activities.	No
6.	The company is active in the construction, modernisation and operation of plants for heat generation that produce heat/cooling from fossil gaseous fuels, finances such activities or holds risk positions in connection with these activities.	No

Template 2 Taxonomy-aligned economic activities (denominator): OpEx

Line	Economic activity opportunities	Amount and share (in monetary amounts and as a percent)					
		CCM + CCA		Climate change Mitigation (CCM)		Adjustment Climate Change (CCA)	
		Amount in TEUR	%	Amount in TEUR	%	Amount in TEUR	%
4.	Amount and share of taxonomy-aligned economic activity in accordance with section 4.29 of I and II to Delegated Regulation (EU) 2021/2139 in the Denominator of the applicable KPI	0	0.00 %	0	0.00 %	0	0.00 %
7.	Amount and share of other taxonomy-aligned economic activities not listed in line 4 in the denominator of the OpEx KPI	0	0.00 %	0	0.00 %	0	0.00 %
8.	OpEx KPI in total	7,257	100.00 %				

Template 3 Taxonomy-aligned economic activities (numerator): OpEx

Line	Economic activity opportunities	Amount and share (in monetary amounts and as a percent)					
		CCM + CCA		Climate change Mitigation (CCM)		Adjustment Climate Change (CCA)	
		Amount in TEUR	%	Amount in TEUR	%	Amount in TEUR	%
4.	Amount and share of taxonomy-aligned economic activity in accordance with section 4.29 of I and II to Delegated Regulation (EU) 2021/2139 in the Counter of the applicable KPI	0	0.00 %	0	0.00 %	0	0.00 %
7.	Amount and of other taxonomy-aligned economic activities not listed in line 4 in the numerator of the OpEx KPI	0	0.00 %	0	0.00 %	0	0.00 %
8.	Total amount and share of taxonomy-aligned economic activities in the numerator of the OpEx KPI	0	0.00 %				

Reporting form 4 Taxonomy-eligible but non-taxonomy-aligned economic activities: OpEx

Line	Economic activity opportunities	Amount and share (in monetary amounts and as a percent)					
		CCM + CCA		Climate change Mitigation (CCM)		Adjustment Climate Change (CCA)	
		Amount in TEUR	%	Amount in TEUR	%	Amount in TEUR	%
4.	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity in accordance with section 4.29 of I and II to Delegated Regulation (EU) 2021/2139 in the Denominator of the applicable KPI	129	30.11 %	129	30.11 %	0	0.00 %
7.	Amount and of other taxonomy-eligible but non-taxonomy-aligned economic activities not listed in line 4 in the denominator of the OpEx KPI	300	69.89 %	300	69.89 %	0	0.00 %
8.	Total amount and share of taxonomy-eligible but non-taxonomy-aligned economic activities in the denominator of the OpEx KPI	430	100.00 %				

Form 5 Economic activities not eligible for taxonomy: OpEx

Line	Economic activities	Amount in TEUR	Percent rate
4.	Amount and share of the economic activity in row 4 of template 1 that is not taxonomy-eligible according to section 4.29 of Annexes I and II to Dele-gated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0.00 %
7.	Amount and share of other non-taxonomy economic activities not listed in row 4 in the denominator of the OpEx KPI	6,827	100.00 %
8.	Total amount and share of non-taxonomy economic activities in the denominator of the OpEx KPI	6,827	100.00 %

3. SOCIAL

3.1 EMPLOYEES OF THE COMPANY

The most important resource and driving force behind Schweizer is its employees. Within the Schweizer family, we act as a team and together form the foundation for our success. Our culture is characterised by diversity, responsibility and trust. The commitment of all employees to the values and goals at Schweizer ensures our profitability.

In order to be able to act as an attractive employer on the labour market, the topics of employee satisfaction, in particular **secure employment and remuneration, workload and health** as well as **training and further education** are of particular relevance to us.

Another focus is on the topic of **employees and human rights**, which is why Schweizer is committed to ethically correct behaviour in the Code of Conduct and thus to complying with all relevant legal provisions that serve to prevent discrimination and to respect and observe human rights.

In order to fulfil our responsibility as an employer and guarantee our employees secure employment and remuneration, we also consider and evaluate the risk of **unused optimisation potential** within the company, which must be continuously reviewed and improved.

We also base our HR strategy and measures on key personnel indicators.

The relevant key figures in relation to employment, occupational health and safety include the total number of employees hired, the staff fluctuation, accidents at work and the resulting days of absence.

At the end of the year, the number of employees at the Schweizer Group totalled 522 (of which 501 were in Germany). The fluctuation rate[1)] in Germany averaged 4.4 percent for the year (2023: 7.0 percent). Over 35 percent of our employees in Germany have been with us for more than 25 years. Schweizer employed 21 people in Asia and the USA at the end of the year.

1) The fluctuation rate: own resignation / average number of employees (excluding temporary employees).

Occupational safety and protection measures have been further developed to protect our employees. At Schweizer, we generally pursue a proactive and preventive approach to avoid illnesses that could be related to the respective work task as well as accidents at work. The number of work and commuting accidents has fallen by 10 percent compared to the previous year and the resulting days of absence have also more than halved compared to the previous year, which we attribute to an increased awareness of occupational safety in general.

Number of employees

(31.12.) in persons

		2024			2023		
		Men	**Women**	**Total**	**Men**	**Women**	**Total**
in Germany[1]							
Category	Employees	130	72	202	140	69	209
	Production staff	203	96	299	242	109	351
	Full-time	332	145	477	376	153	529
	Part-time	1	23	24	6	25	31
		333	**168**	**501**	**382**	**178**	**560**
in Asia and USA							
Category	Employees	9	12	21	11	12	3
	Production staff	0	0	0	0	0	0
	Full-time	9	12	21	11	12	23
	Part-time	0	0	0	0	0	0
		9	**12**	**21**	**11**	**12**	**23**
Konzern		**342**	**180**	**522**	**393**	**190**	**583**

[1] 2023: Including 14 temporary employees

Diversity among employees

in percent

		2024		2023	
Group		**Employees**	**Production staff**	**Employees**	**Production staff**
Gender	Women	38 %	32 %	32 %	31 %
	Men	62 %	68 %	68 %	69 %
Age group	< 30 years	10 %	6 %	10 %	9 %
	30-50 years	41 %	34 %	41 %	35 %
	> 50 years	49 %	60 %	49 %	56 %
thereof in Germany					
Gender	Women	36 %	32 %	33 %	31 %
	Men	64 %	68 %	67 %	69 %
Age group	< 30 years	11 %	6 %	10 %	9 %
	30-50 years	37 %	34 %	38 %	35 %
	> 50 years	52 %	60 %	52 %	56 %
of which in Asia and the USA					
Gender	Women	57 %	0 %	52 %	0 %
	Men	43 %	0 %	48 %	0 %
Age group	< 30 years	5 %	0 %	4 %	0 %
	30-50 years	81 %	0 %	70 %	0 %
	> 50 years	14 %	0 %	26 %	0 %

Number of work and commuting accidents and resulting days of absence at the Schramberg site

Financial year	Number of accidents at work and commuting accidents[1]	Resulting days of absence
2024	**9**	**83**
2023	10	211
2022	12	175
2021	8	97

[1] These are reportable work and commuting accidents.

SECURE EMPLOYMENT AND REMUNERATION

A reliable contribution to regional development

Schweizer Electronic AG has been a reliable employer in Schramberg and the surrounding region for 175 years. Thanks to our long-standing presence, we make a significant contribution to the positive development of the labour market in the region and offer secure employment opportunities for numerous people. Our overriding goal is to act as a secure and attractive employer. As an important indicator, we have therefore set ourselves the goal of achieving and maintaining a fluctuation rate of less than 5 percent per year. To achieve this goal, we have developed and implemented various concepts.

Our values

Our mission statement serves as the basis for secure employment and explains the framework for our strategy and actions. It represents our self-image, is intended to arouse enthusiasm for our company and convey the values and guiding principles that we see as the pillars of our success. As a leading PCB manufacturer, our vision not only to offer high-quality products, but also to actively contribute to the conservation of resources and the protection of our environment. Thanks to our many years of experience, we are able to constantly push the boundaries of what is possible. We utilise modern technologies and innovative production methods to develop products and services that meet the highest quality standards and satisfy the changing needs of our customers. Overall, we are convinced that strong quality and environmental awareness benefits our company as well as society and the environment. Through our commitment to continuous improvement and sustainable processes, we want to make a positive contribution and act as a role model. Our values form the foundation of our company and shape our behaviour in all aspects of our work. We are convinced that a strong set of values is crucial not only to be successful, but also to create a positive working environment in which all employees feel comfortable and can flourish.

Code of Conduct

As a globally active company, we are clearly committed to ethical and social standards. Our values are therefore also reflected in our Code of Conduct on social responsibility, which sets out what corporate responsibility means: fair working conditions, social and environmental compatibility as well as transparency, trusting cooperation and dialogue. All employees enjoy equal opportunities and equal treatment, regardless of origin, skin colour, gender, religious beliefs, sexual orientation, political opinion, social status or other distinguishing features. The inclusion of our employees is an integral part of our corporate culture. The company management attaches great importance to transparency and the opinion of the individual, which is why the door to the Executive Board and HR management is always open to all employees.

Transparent remuneration and equality

In terms of remuneration, we always ensure that applicable national minimum wage laws are complied with and that we orientate ourselves towards standard market conditions. In addition, our employees are regularly informed about the composition of their salaries. Employee performance appraisals are carried out annually, whereby we attach great importance to a transparent and comprehensible system for all employees. The assessed performance determines the annual performance bonus, which is paid as a variable component of basic remuneration and is linked to an annual appraisal interview.

With regard to equal pay, we have developed a job grouping system that includes an assessment of the respective job. Remuneration is based on this assessment, which means that women, men and diverse employees receive the same remuneration. The evaluation of the activity or job includes for example, the following criteria: Training (internal and external), perceptiveness, attentiveness, independence, personnel and project responsibility, cooperation and physical strain. To protect our employees and their dependants, we offer emergency benefits, retirement and disability pensions, widows' and widowers' pensions, orphans' pensions and waiting periods in the form of qualifying periods of service.

With our concepts and the measures implemented in this regard we achieved a fluctuation rate (own terminations) of 4.4 percent in this reporting year. We have therefore achieved our target - a sign of the effectiveness of the measures we have implemented.

WORKLOAD AND HEALTH

Promoting health and well-being in the workplace

The well-being of our employees is at the centre of everything we do. With comprehensive occupational health management (OHM), we pursue the goal of sustainably improving the state of health, strengthening personal resources and minimising health risks. At the same time, we want to increase the motivation of our employees, increase job satisfaction and improve the working atmosphere by optimising working conditions. In order to continuously monitor the impact of our measures, we regularly analyse the sickness rate and derive targeted optimisation measures from this. Our company target for the sickness rate is an average of <7 percent per year.

Occupational health management (OHM) and job satisfaction

An essential component of our occupational health management programme is company integration management (BEM), which supports employees who have been unable to work for a long period of time through targeted measures, prevention, health promotion and rehabilitation and prevents them from becoming unable to work again. With the support of the company doctor, impulses for the reintegration of employees were supported and accompanied by occupational medicine. Our aim is to use occupational health management to sustainably improve the health of our employees, strengthen their personal resources and reduce health risks.

The aim is also to increase motivation through good working conditions, increase job satisfaction and improve the working atmosphere. For the company, this means fewer sick days, increased productivity and performance and an improvement in the quality of products and services. In addition, we offer employees approaching retirement a flexible option for a smooth transition into retirement (equal work and release phase) with the partial retirement model, which promotes a high level of job satisfaction in the long term.

Health and safety are also a high priority in our Code of Conduct. Our occupational health and safety management is based on international health and safety standards and ensures compliance with all legal regulations. We ensure that workplaces are suitably designed, that safety regulations are consistently adhered to and that all employees are provided with suitable personal protective equipment. Preventive controls and emergency measures have been defined for continuous improvement and recorded using an accident reporting system to ensure a safe working environment. We also guarantee access to clean drinking water (including in the form of drinking water dispensers) and hygienic sanitary facilities at all times. We also comply with all legal requirements regarding maximum working hours and monitor compliance with applicable laws and labour standards.

OUR MEASURES

Preventive healthcare and health promotion

Our approach to health promotion is based on preventative measures to avoid work-related illnesses and accidents. This includes regular training and instruction on the topics of occupational safety, environmental protection and energy management within the company.

In addition, we offer first aid courses for new first aiders at regular intervals as well as regular refresher and further training courses. Fire safety and evacuation drills are also part of our regular training programme to ensure that our employees are optimally prepared for emergencies.

To actively support the health of our employees, we offer an annual flu vaccination by our company doctor free of charge. We cooperate with health insurance companies to provide various preventive services. In 2023, for example, we carried out a free bowel cancer screening programme, while cardiovascular screening is planned for 2025. The one-off examinations at the workplace, which are free of charge for employees, provide participants with valuable information about their state of health.

Another component of our health promotion programme is our mobility offer in co-operation with an external partner: employees can lease a bicycle or e-bike in the form of salary conversion. This programme has met with a very positive response and is an important component of employer attractiveness as well as an offer to employees to participate in **company health management (BGM)** campaigns. We also support participation in regional sporting events such as company runs or the 'STADT-RADELN – Radeln für ein gutes Klima' campaign, in which our team was recognised as the most active group in the district of Rottweil in 2024. By taking part in the sporting events, SCHWEIZER aims to raise employees' awareness of the issue of climate protection and create possible offers for health promotion. The prize money won by the team was donated by our employees to a charitable organisation. In addition, our employees benefit from discounted memberships at local gyms through existing co-operations.

Security management

Occupational safety is an integral part of our management system. By anchoring these topics in the management handbook, we ensure that safety and health protection are systematically and sustainably taken into account in our corporate processes. Our safety officer (SIFA) provides support in an advisory capacity and, together with the safety officer and the appointed company doctor, helps to recognise potential risks at an early stage and take suitable preventive measures to eliminate or avoid deficiencies in the workplace.

Improving occupational safety

As occupational safety is a high priority for us as a company, we involve our safety experts in the procurement and process approval of new machines, check the personal protective equipment for the activity and carry out risk assessments in order to systematically identify and continuously minimise physical and mental stress in the workplace. Regular site inspections and measurements at workplaces enable us to precisely analyse and continuously improve our safety standards.

KEY FIGURES ON OCCUPATIONAL SAFETY

To make our progress measurable, we record the number of reportable work and commuting accidents and the resulting days of absence every year. Last year, nine reportable accidents were registered, resulting in a total of 83 days of absence. Through targeted measures and continuous optimisation of our occupational safety concepts, we are working to further reduce these figures and create an even safer working environment for our employees.

EDUCATION AND TRAINING

The continuous training of our employees is a central component of our corporate strategy. Our aim is to promote talent at an early stage, retain it in the long term and develop it in a targeted manner.

Schweizer Electronic AG's training programme includes both commercial and technical professions. The company trains industrial clerks as well as warehouse logistics specialists, mechatronics technicians, machine and plant operators and surface coaters. Depending on requirements, training places are offered for students of the Duale Hochschule in the fields of business administration and industry or business informatics. In addition to the specialist training in the departments and training workshops, our trainees and dual students also responsible for their own projects. These greatly promote motivation and independence in everyday working life.

Even for our youngest employees, we focus on high-quality training with the clear intention of taking on all of our trainees in the long term after they have successfully completed their training and deploying and developing them in our specialist departments. In this way, we proactively counter the shortage of skilled labour by developing our own qualified specialists.

In addition to traditional training, we attach great importance to the continuous professional development of our experienced employees. We sensitise our team to current challenges through targeted training measures, for example on the topic of cyber security in 2024.

In addition, recurring annual instructions are given on occupational safety, environmental protection and energy management. For new hires, this training takes place on the first day of work. The aim is to impart the relevant knowledge to employees before they start work for the first time and to sensitise and motivate them to act accordingly by regularly repeating the instruction. We communicate current results, changes or new regulations via the respective department and team managers, via our digital channels and via notices that are accessible to all employees.

We have established various concepts to implement our training strategy in a targeted manner:

- **Sustainable training concepts:** As part of our succession planning, we offer a wide range of commercial and technical apprenticeships as well as dual study programmes.
- **Internal and external training programmes:** In regular employee appraisals, we conduct targeted interviews to determine individual training needs and employee potential in line with company requirements. Internal training courses impart specific knowledge that is necessary for the production of printed circuit boards and create increased expertise, while supplementary external seminars and exchanges with partners ensure in-depth expertise.
- **Structured feedback:** After each training or further education measure, a standardised assessment is carried out to identify strengths and potential for improvement in the training. In this way, we ensure the continuous optimisation of our training measures.

We also focus on specific measures to ensure high-quality further training:

- **School co-operations:** Through partnerships with schools in the district, we give young people in the region an early insight into our apprenticeships and arouse interest in a career in our company. At the same time, the schools benefit from the practical expertise of our specialists.
- **Structured onboarding process:** Individual induction plans ensure that new employees are optimally integrated and given targeted support right from the start.

EMPLOYEE AND HUMAN RIGHTS IN OUR OWN BUSINESS AREA RESPONSIBLE BEHAVIOUR AS A BASIS

Our internal Corporate Social Responsibility (CSR) Code is a key pillar of our corporate behaviour. It ensures that legal and moral principles are consistently adhered to. This includes the strict observance of regulations to prevent child labour, compliance with legal provisions on the employment of people with disabilities and the implementation of all relevant measures to prevent discrimination.

We are also committed to provisions that guarantee voluntary work and take a firm stand against sexual harassment and bullying in the workplace.

As a responsible company, it is our aim not only to be economically successful, but also to assume social responsibility. For this aspect, we also refer to our Code of Conduct, which serves as a guideline for our corporate behaviour. It defines fundamental principles with regard to compliance with internationally recognised human rights, reflects our self-image as a fair and ethical employer and promotes diversity, equal opportunities and diversity in our company.

We are also committed to the careful handling of conflict minerals and are actively committed to transparent and responsible supply chains. We also expect our suppliers to comply with the principles of our Code of Conduct or to apply equivalent codes of conduct. At the same time, we encourage them to enforce these standards in their own supply chains in order to ensure sustainable and fair value creation.

Another key tool is our whistleblower system *(https://schweizer.hintbox.eu)*, which was introduced at Schweizer in 2018. It is particularly important to us to recognise potential violations of laws, regulations or internal guidelines within the company at an early stage and to act accordingly. The system opens up a confidential communication channel through which employees, former colleagues and external stakeholders can send relevant information electronically to a central point. Particular attention is paid to the protection of personal rights, the right to informational self-determination and compliance with data protection. In 2024, no reports were received under the material scope of the Whistleblower Protection Act – a sign of the effectiveness of our preventive measures.

OUR MEASURES

We have implemented targeted measures to embed these principles throughout the company. All employees are obliged to read, familiarise themselves with and comply with the CSR Code. Managers in particular are responsible for actively communicating this code and living it in their daily work. As part of our onboarding process, we ensure that new employees are familiarised with the content.

Another building block for promoting a strong corporate culture is our Competency Framework. It defines clear guidelines for collaboration and leadership and provides both employees and managers with orientation for their daily actions. The aim is to create a shared understanding of responsibility and cooperation and thus create an inspiring and performance-enhancing working environment. Our managers are responsible for ensuring that the guidelines are known and practised by employees.

These measures ensure that our values not only exist on paper but are actively lived – for a corporate culture characterised by responsibility, respect and long-term sustainability.

UNUSED OPTIMISATION POTENTIAL (COMPANY-SPECIFIC)

Structured idea management for sustainable improvements

Effective ideas management plays a decisive role in the continuous development of our company. By actively involving our employees in improvement processes, we ensure that potential is recognised and utilised. Our aim is to identify risks at an early stage and achieve economic, qualitative and sustainable optimisation through targeted measures.

Our goals in the context of idea management are clearly defined: We strive for increased profitability through higher productivity, optimise the quality of our products and processes and reduce the consumption of auxiliary and operating materials. We also focus on the efficient design of products, procedures and processes, avoid waste and accelerate administrative and work processes. Another key aspect is the promotion of health and accident protection as well as the functional and employee-friendly design of workplaces. At the same time, we actively contribute to environmental protection with innovative ideas.

Ideas management itself is anchored in a company agreement and offers all employees the opportunity to actively contribute to improvements. As they have first-hand knowledge of the processes, they can provide valuable impetus for new solutions. Every suggestion for improvement submitted is scrutinised with regard to its feasibility. Successful ideas are communicated internally and translated into concrete measures, which are then transparently fed back to the workforce.

Through this structured approach, we create an environment that promotes innovation, in which creative ideas are not only valued, but also put into practice. In this way, we drive progress together and ensure the sustainable further development of our company.

OUR MEASURES

Risk awareness within the company is also regularly trained in order to avoid both recognised and discovered events as well as unforeseen events that pose a risk to the company.

Another important component is the structured implementation of employee surveys. These enable us to obtain valuable feedback and incorporate the opinions of our employees into decision-making processes.

A systematic concept supports the preparation, implementation and evaluation of these surveys so that the findings can be translated into targeted measures and communicated transparently.

We use various channels and formats to achieve our goals: Our employees are regularly informed about business developments - whether through notices, e-mail communication or direct discussions with managers. In addition, company meetings are held twice a year to ensure a transparent information culture.

3.2 LABOUR IN THE VALUE CHAIN

We believe that workers along the entire value chain should have access to fair working conditions, equal treatment and other relevant labour rights. Our value chain extends from the procurement of raw materials from suppliers, through transport by logistics companies to our production facility in Schramberg, to the transport of PCBs manufactured in-house to our customers. The printed circuit boards that we procure externally are delivered directly to SCHWEIZER'S customers by our trading partners using the haulage companies we commission. We consider all external workers who are not under the direct supervision of SCHWEIZER to be labour in the value chain.

The "ZVEI Code of Conduct on Social Responsibility" (CoC) serves as the basis for our social responsibility in the context of our global activities. This guideline from the German Electrical and Electronic Manufacturers' Association (ZVEI) sets out what corporate responsibility means in terms of working conditions, social and environmental compatibility, transparency, trusting cooperation and dialogue. We do all this out of the deepest conviction, because we know that responsible behaviour pays off for a world worth living in, more trust and ever better products.

One of the key points of our CoC is the commitment to respect internationally recognised human rights, which include in particular the prohibition of child and forced labour, freedom of association and collective bargaining as well as the promotion of diversity and equal opportunities. We also regulate the careful handling of conflict minerals in our CoC.

We expect our suppliers to comply with the principles of this CoC or to apply equivalent codes of conduct. We also encourage them to enforce the contents of this CoC in their supply chains. We intend to commit all of our suppliers to our COC.

The implementation of our CoC is linked to the following guidelines:

Conflict Material Guideline

Conflict materials are natural resources whose extraction or trade can directly or indirectly finance or support armed conflicts. The best-known conflict materials include gold, tin, tantalum, tungsten and their derivatives, which are used in a variety of products such as electronics, jewellery, automobiles and other industrial goods.

Comprehensive measures have been implemented to ensure that SCHWEIZER is not indirectly involved in financing or supporting armed conflicts.

Supplier audits – regular audits of suppliers are carried out to ensure that they comply with the guidelines for avoiding conflict materials.

Transparency and traceability – full transparency and traceability of supply chains is sought to ensure that potential risks can be identified and effective measures taken.

Collaboration with stakeholders – SCHWEIZER is actively engaged in collaborating with government agencies, non-governmental organisations and other stakeholders to share best practices and work together on solutions.

We expect our suppliers to source their minerals exclusively from conflict-free smelters and to check their supply chain for the presence of conflict minerals. In order to obtain the necessary due diligence information, we send our suppliers the "Conflict Minerals Reporting Template" (CMRT) for documentation purposes.

We our suppliers to complete and sign this form and return it to us to enable a comprehensive audit of the supply chain.

Corporate social responsibility

Schweizer attaches great importance to ensuring that not only its own company, but also all suppliers and partners comply with the highest social and ethical standards. We therefore ensure that they adhere to the same obligations that we have defined for our own employees in the S1 standard.

Supplier guideline

Schweizer is committed to complying with legal requirements, current industry standards and environmental protection. This commitment is also expected from our suppliers and also applies to the sustainable use of energy. In addition, the supplier undertakes to comply with all relevant legal and regulatory requirements. We expect our suppliers to conduct their business in accordance with ethical principles based on international human rights regulations, particularly with regard to the abolition of child labour. These requirements must be passed on to the entire supply chain, including the obligation to pass these requirements on to the entire supply chain as well. This applies to all special characteristics specified by Schweizer.

Supply Chain Due Diligence Act (LkSG)

In 2024, we further developed measures to implement the requirements of the German Supply Chain Sustainability Act (LkSG), although Schweizer does not fall within the scope of the law and is only indirectly affected by it. We also check our suppliers on the topics of environmental protection, human rights and corruption, as described in the guidelines above. In addition to the country risks, Schweizer assesses the level of certification and the corresponding audits. In addition to the country risk, a product and product group risk assessment is carried out and, in the event of high risks, specific measures are then implemented in supplier development.

Respect for human rights and combating corruption and bribery

Respect for human rights is a central component of our corporate governance and is set out in detail in our Code of Ethics and CSR Policy and our Conflict Minerals Policy, which communicated to every employee and supplier. We also attach great importance to combating corruption. We reject all forms of corruption and therefore expect our employees and authorised representatives to report all suspected cases of corruption to the Executive Board. We have therefore set out all the details on avoiding corruption in a separate guideline on avoiding corruption and made it available to our employees. In the event of suspected violations of our guidelines, these can and should be reported via our whistleblower system.

Early information from employees, former colleagues, customers and third parties outside the company can help to implement a preventive strategy to avert material and immaterial damage as well as legal consequences and reputational damage to the company and its employees. The whistleblower system opens up a confidential communication channel in which employees and other persons have the to report legal violations or breaches of internal guidelines in connection with the company electronically to a central processor. Particular care is taken to ensure that the personal rights, informal right to self-determination and data protection of those involved are respected.

In 2024, no information within the meaning of the material scope of the Whistleblower Protection Act was received.

4. GOVERNANCE

4.1 CORPORATE GOVERNANCE

Identified impacts, opportunities and risks

In an increasingly dynamic and interconnected world, the importance of protecting against data misuse and the serious consequences that can result has never been greater. In a global environment characterised by changing societal expectations, environmental challenges and rapid technological advances, our global industry-leading customers rely on Schweizer's innovative strength, decades of experience and the outstanding product and service quality of our PCB and embedding solutions. In addition, PCB technologies from Schweizer are increasingly being used in our customers' energy-saving and environmentally friendly applications. For Schweizer as a listed company, the implementation of effective opportunity and risk management not only means fulfilling legal requirements but is also an essential part of corporate governance in order to build and maintain the trust of our investors, capital providers, employees, customers and public institutions.

Based on our double materiality analysis, we have identified three governance-related sustainability aspects. Detailed information on the preparation of the materiality analysis is provided in chapter 1 "General information", section 1.5 "Material sustainability aspects and their interaction with strategy and business model".

Data protection and cyber security

Schweizer's business and production processes, as well as internal and external communication, are highly dependent on IT systems and the associated IT infrastructure. These environments are potentially exposed to various risks. In particular, the generally observable dynamics in the area of cyber attacks and crime are significant risks. These include attempts by unauthorised third parties to gain access to confidential information or data, take control of systems and make data public or render IT systems unusable on a large scale, including data backups, e.g. through encryption. Disruptions or failures triggered by this, particularly in interlinked linear production processes, can result in long-lasting interruptions to operations and restart times.

External dependencies on the market and market conditions

The majority of SCHWEIZER'S business activities are with customers in the OEM supplier business. This results in a high dependency on the economic cycles of the automotive market and the associated financial situation of major customers. The weak demand for motor vehicles from end consumers in Europe and the USA is currently being exacerbated by the sluggish transition from vehicles with combustion engines to electric vehicles by European car manufacturers, who are reacting by cutting costs in their supply chains. As a result, Asian printed circuit board manufacturers are increasingly pushing into the European market and thus increasing price pressure.

In order to fulfil the high demands of Tier 1 customers in the automotive sector in terms of quality, timely availability with highly volatile delivery call-offs and country-specific, competitive price points, SCHWEIZER pursues a strategy of differentiated market supply by means of in-house production and external sourcing of printed circuit boards. A key success factor here is the existing cooperation with our anchor investor, the WUS Group, with which a considerable purchasing volume of PCBs and synergies in the technical development of products and in purchasing advantages with sub-suppliers are realised. If this strategic source of supply for printed circuit boards in various application technologies, and in particular for embedding printed circuit boards, were to be cancelled in the short and in medium term, customer receivables from delivery obligations could not be fulfilled or only partially fulfilled. In addition to the loss of revenue, this would lead to severe contractual penalties and reputational damage.

Collaboration with other cooperation partners in Asia also gives SCHWEIZER the opportunity to fulfil price requirements and possibly low order volumes in the highly competitive market of industrial customers in the short term and thus expand its own market share.

The political and corporate pressure to reduce GHG emissions is increasing and companies, particularly in the automotive industry, are under great pressure to innovate and develop more efficient vehicles. The pressure to innovate is also increasing for economic reasons, as the price of CO2will continue to rise. In addition, German car manufacturers in particular are threatened with high fines if the CO_2-limits are exceeded. Thanks to SCHWEIZER'S innovations, CO_2-emissions can be saved through the use of efficiency-enhancing printed circuit boards. Due to the ongoing transformation of the automotive industry towards more hybrid and electric vehicles, the demand for PCBs is increasing as more electronics are required per vehicle.

In the medium and long term, SCHWEIZER therefore sees a positive market development in electromobility worldwide and thus the possibility of a significant increase in sales from the demand for PCBs in the embedding and sensor technology sector.

Risk management

SCHWEIZER defines risks as possible negative deviations (dangers, risks in the narrower sense). This means that risks from unfavourable and uncertain developments have an impact on the planned financial targets. SCHWEIZER'S risk management system focusses on measures against negative deviations. Deviations that could jeopardise the achievement of objectives. For information on the methodology and organisation of the risk management system, please refer to the disclosures in the management report, section "Opportunity and risk report" and the disclosures in the ESRS section "General information", chapter GOV-5-"Risk management and internal controls for sustainability reporting".

The realisation of risks can deviate from the current assessment and evaluation of a risk situation for various reasons. Firstly, the risk situation is subject to external changes, such as sudden market slumps, legal changes or unforeseen technological developments that are difficult to predict. Secondly, internal weaknesses such as inadequate data quality, poor communication or undetected operational problems can lead to risks being misjudged. Thirdly, subjective assessments and assumptions in the evaluation process can lead to distortions, especially if they are not based on well-founded analyses. The dynamics of interactions between different risks, for example between financial and operational risks, can also be underestimated and lead to deviations. Finally, human factors such as wrong decisions or an inadequate risk culture in the organisation play a role, which can impair the early identification or effective management of risks. These factors make it essential to constantly review and adapt the risk management system.

Further topic-specific information on the role of the administrative, management and supervisory bodies can be found in chapter 1 "General information", section 1.2 "Sustainability and governance".

4.2 OUR CONCEPTS AND PROCESSES [MDR-P]

For Schweizer as a listed company, maintaining high standards in the areas of data security and risk management is essential, not only to fulfil regulatory requirements, but also to gain the trust of our stakeholders, including investors, employees, customers and the communities in which we operate.

We have established various concepts and processes to counter the material potential effects and risks described above.

Data protection and cyber security

Schweizer enables its employees to work remotely and ensures that all relevant data protection regulations are complied with. To ensure information security, the employer, works council and employees work closely together and jointly implement the measures defined in a guideline.

A central aspect of these security measures is safeguarding information security. This relates in particular to compliance with data protection regulations when employees are working outside the company premises. A process has been implemented which, among other things, requires employees to give their consent to the employer's right of access to their home in order to ensure the mandatory monitoring under data protection law. The data protection officer, the legal counsel of Schweizer Electronic AG and the divisional heads of Human Resources and Information Technology are involved in this monitoring process.

Another key component of the security strategy is to sensitise employees to the handling of personal data in line with the European General Data Protection Regulation

(GDPR). Every employee is trained in the relevant data protection regulations and individually undertakes to comply with the statutory provisions. Checks are carried out by means of a regular completeness check of the personnel files. The data protection officer, the legal counsel of Schweizer Electronic AG, the works council and the divisional heads of Human Resources and Information Technology are also involved in this process.

Schweizer also has a comprehensive Information Security Management System (ISMS) that defines operational processes and guidelines in information management – including regulations for mobile working. In order to continuously improve IT security, phishing tests are carried out several times a year and needs-based training is offered to employees. All systems and applications are subject to two-factor authentication and technical monitoring, with alarms forwarded directly to the Operations Centre, which is staffed around the clock. IT risks are regularly identified, assessed and minimised through suitable measures. In addition, regular audits are carried out to review and continuously develop established processes and procedures in the context of IT and information security. The Executive Board, customers, the Works Council and the Information Technology division management are involved in this monitoring process.

Schweizer's IT security is based on a comprehensive management concept that takes into account both technical and organisational measures. Internal data security is ensured by password protection, access rights and encryption, while external threats are warded off by a multi-level firewall system. High availability and data security are guaranteed by redundant server infrastructures, uninterruptible power supplies and automated backup strategies. Several virus scanners provide additional protection against malware, and external access is strictly controlled. Organisational measures such as a security policy lay down clear guidelines for authentication, data usage and emergency responses in order to minimise security risks. The Executive Board, the General Counsel of Schweizer Electronic AG and the Head of Information Technology are responsible for the overall coordination of information security.

Through these comprehensive measures, Schweizer ensures that both technical and organisational security requirements are met and continuously developed. This not only enables a secure working environment for employees but also guarantees the protection of sensitive data and company information.

External dependencies on the market and market conditions

Schweizer is responding to the tougher competitive conditions, particularly from Asian competitors, with a strategic realignment. The management has opted for an expanded customised product mix consisting of PCBs manufactured and traded in-house. Schweizer is thus positioning itself both as a producer for technologically sophisticated and innovative applications and as a distributor of printed circuit boards in price-sensitive markets.

The aim of this strategy is to achieve sustainable and profitable growth and to spread the cluster risks that can arise from market fluctuations and customer dependencies. In addition, a broad product portfolio is to be created that fulfils the different price and quality requirements in international markets. Another focus is on customised engineering in power electronics in order to support automotive customers in particular in their transformation due to political and market-specific requirements. The strategically growing partnerships with PCB suppliers in Asia will be further expanded while safeguarding Schweizer's interests.

In order to monitor the implementation of this strategy, Schweizer relies on a comprehensive reporting system. Daily and monthly reporting, the management information system and steering team meetings ensure that market and company developments are continuously analysed. In addition, regular coordination takes place with the trading partners from the WUS Group, China/ Taiwan (WUS), and the WUS subsidiary Schweizer Electronic-WUS in China (SEC-WUS). This relates in particular to thematic coordination with regard to high-frequency and embedded PCBs, contract negotiations, customer requirements and potential supply chain disruptions. In addition, alternative supply capabilities are being developed by other partners in Asia for all application technologies.

Comprehensive stakeholder involvement ensures the sustainable implementation of the in-house production and trading strategy. The Executive Board, Supervisory Board, banks, insurance companies, investors and the management of trading partners are closely involved in the processes. External market changes, regulatory risks and the need to adapt to developments in the automotive sector, the financial strength of major customers and the availability of components provide important framework conditions for this orientation.

The stable partnership with WUS and SEC-WUS, which is based on synergies and co-operation benefits, is a particular priority. As part of the cooperation, attention is paid to safeguarding common interests. Operational management and risk monitoring are carried out using guided analytics systems, monthly financial reporting, minutes of steering team meetings and statistical analyses from the ERP system. Written agreements, customer delivery schedules and associated framework agreements are also key elements of strategic management.

Through these comprehensive measures, Schweizer ensures that the company can react flexibly to market changes and at the same time sustainably strengthen its competitive ability and advantages.

Risk management

Schweizer pursues a comprehensive risk management system that integrates all organisational regulations and activities for the systematic implementation of the risk management process. The aim is to recognise risks at an early stage, initiate preventive measures and secure the long-term existence of the company. At the same time, the system enables strategic room for manoeuvre and helps to reduce risk and capital costs through risk-adequate equity capitalisation.

Schweizer's risk management system focuses on the structured, Group-wide recording and assessment of risks. Uniform methods and instruments are used to systematically analyse risks and derive mitigation measures. In particular, the aim is to identify so-called top risks that could jeopardise the company's existence or be business-critical. The results are incorporated into strategic and operational planning and enable the targeted management of corporate risks.

The Corporate Risk Manager submits an annual report to the Executive Board to monitor the risk landscape. In addition, a detailed risk report is submitted to the Audit Committee of the Supervisory Board. External auditors review the effectiveness of risk management as part of quality standard certificates and customer audits. These measures ensure that risks are continuously assessed and adapted to new challenges.

A particular focus is on the proactive management of deviations between the original risk assessment and the actual occurrence of risks and losses. The Executive Board bears ultimate responsibility for risk management and ensures that appropriate measures are implemented effectively.

The risk management concept is provided internally via the corporate manual, which is available to the respective risk owners. This ensures transparent and uniform management within the organisation. In addition, SCHWEIZER's early risk detection system is fully orientated towards the requirements of the IDW PS 340 standard as amended and therefore meets the highest regulatory requirements.

Further details on the risk management system can be found in the management report in section "Opportunity and risk report" and in the ESRS "General information" section, chapter GOV-5 "Risk management and internal controls for sustainability reporting". Through this systematic approach, we want to ensure that risks are actively managed, and opportunities are optimally utilised in order to strengthen our competitiveness in the long term.

Our measures [MDR-A]

Extensive measures have been implemented or are currently being implemented in order to detect negative effects and risks, mitigate them and make the necessary corrections. The following table provides an overview of the completed, current and future planned measures in connection with corporate governance:

Measure	Reference to the target	Assignment to the respective IRO	Description	Status	Time frame
Data protection and cyber security					
Cyber security	100 % until 2025	RO.17 Cyber attacks	Cyber insurance policy concluded with new insurance partner until the end of 2025	realised	2024
Barrier for computer viruses and malware	100 % until 2025	RO.17 Cyber attacks	Network separation of administration and production	realised	2024
State-of-the-art endpoint security	100 % until 2025	I.42, RO.17 Data breaches, cyber attacks	Secure development and sales workspaces to protect customer data	realised	2024
			Global perimeter firewall for global protection of all end devices (no open Internet access incl. home office workplaces)	in progress	2025
Sensitisation of employees and training	100 % until 2025	RO.17 Cyber attacks	Simulated phising campaigns and IT security awareness training, annual self-assessment of all companies	realised	2024
Regular patch management in the IT system	100 % until 2025	RO.17 Cyber attacks	Standardisation of the client IT architecture	realised	2024
Two-account separation with regular tasks and administrative duties	100 % until 2025	I.42, RO.17 Data breaches, cyber attacks	Assignment of registration rights to key persons, reduction of domain account authorisations	realised	2024
			Installation of an incident reporting system	realised	2024

Measure	Reference to the target	Assignment to the respective IRO	Description	Status	Time frame
Risk management					
Effectiveness of the risk management system	No target defined	RO.8 Deviating in occurrence of risks and losses to risk assessment	was commissioned in 2024 to conduct an audit of the effectiveness of the risk management system. The result confirmed the effectiveness. It is planned to repeat the audit every three years.	realised	2024
Consideration of risk interdependencies	No target defined	RO.8 Deviating in occurrence of risks and losses to risk assessment	The amplifying effect of inter-related risks is taken into account in the stochastic analysis of the overall risk position (risk aggregation) and thus the calculated capac-ity utilisation (mobilisable liquidity and available equity).	realised	2024
Establishment of a risk culture	No target defined	RO.8 Deviating in occurrence of risks and losses to risk assessment	Training courses were organised for the Executive and all management levels in all Group. The focus here was also on establishing an ad hoc risk reporting system across the hierarchy and corresponding mandatory reports.	realised	2024

Measures relating to the risks "RO.1 - Adaptation to market changes as a result of developments in the automotive sector, the prospects and financial strength of major customers and the availability of components", "RO.5 - Stable partnership with WUS / SEC-WUS with regard to synergy and cooperation benefits" and "RO.7 - Safeguarding common interests in the context of cooperation with WUS / SEC-WUS" are not reported for strategic reasons.

4.3 OUR OBJECTIVES [MDR-T]

We pursue ambitious goals in the area of data protection and cyber security in order to ensure the highest standards in information security. By 2025, Schweizer aims to fully implement all measures necessary to ensure the protection of sensitive data and IT infrastructures. This absolute goal extends to all locations and company divisions and emphasises Schweizer's holistic approach to ensuring a secure digital environment.

The objective of data protection and cyber security is derived from the progress of the measures to date and the remaining measures to be implemented. Based on experience with implementation to date, the remaining time for rolling out the measures still in progress can be estimated.

For the aspects "External dependencies on the market and market conditions" and No targets were derived for "Risk management". The implementation of risk measures is reviewed as part of the risk analysis. For further information, please refer to the management report in the "Opportunity and risk report" section. The effectiveness of Schweizer's risk management system is audited every two years by an external auditor.

IMPRINT

Schweizer Electronic AG
Einsteinstraße 10
78713 Schramberg
Germany
Phone: +49 7422 512-0
Fax: +49 7422 512 397
www.schweizer.ag

For the sake of readability, gender-specific terms (e.g. "employees") have been omitted in some cases. The corresponding terms apply to all genders in accordance with the principle of gender equality. The abbreviated form is used for editorial reasons only and does not imply any value judgement.

The SCHWEIZER Group is also referred to as SCHWEIZER in the non financial report. WUS Printed Circuit (Kunshan) Co., Ltd. is also referred to as WUS or WUS Kunshan in the non financial report.

All figures are rounded individually, which may result in minor discrepancies when calculating individual values.

The English version is for convenience only – should there be discrepancies between the German and English version of the report, the German version shall prevail.

Schweizer Electronic AG
Einsteinstraße 10
78713 Schramberg

Postfach 561
78707 Schramberg