BAUSCH+STRÖBEL

Sustainability Report 2024

1. Bausch+Ströbel

Statement of the Company Management

Dear readers,

Over the past year, sustainability has been increasingly shaped by political and regulatory developments.

In a period marked by economic difficulties, the debate has grown - both domestically and internationally - about the value and consequences of new regulatory requirements and the additional pressures they may create for businesses.

Across Europe, these debates have resulted, among other things, in a two-year postponement of the Corporate Sustainability Reporting Directive (CSRD) reporting requirements for many companies, along with further revisions intended to reduce the burden on small and medium-sized enterprises in particular.

Like many other mid-sized companies, we were already preparing for the new CSRD reporting requirements when the postponement was announced. This required us, at very short notice, to decide how we will report on the progress of our sustainability efforts going forward.

We fully recognize that the most pressing challenges of our time remain as urgent as ever, regardless of political decisions, and that we all share a responsibility to build a more sustainable and livable future.

At Bausch+Ströbel, we view sustainability not an obstacle to economic success, but an essential driver of it.

Accordingly, we will continue to provide transparent reporting on developments related to this topic, consistent with the approach we have taken over the past three years and in accordance with the internationally recognized GRI reporting standard.

The results can now be found in our 2024 Sustainability Report. We would like to extend our sincere thanks to all employees, customers, suppliers, and business partners for being part of this journey. We hope you enjoy reading this publication.

Markus Ströbel | Thorsten Bullinger | Dr. Hagen Gehringer | Bernhard Frisch | Abhishek Gakhar

Brief description of the company

Bausch+Ströbel is the partner for pharmaceutical production worldwide. Since 1967, the familyowned company has been developing innovative, forward-looking solutions for the reliable, flexible and aseptic filling of pharmaceutical products. Together with its customers, Bausch+Ströbel develops solutions that best meet their needs. With a strong focus on quality, innovation and customer proximity, Bausch+Ströbel ensures the highest level of reliability and safety in pharmaceutical production for its customers.

Through these efforts, the company makes a significant contribution to ensuring that essential medicines and vaccines are safely, reliably and affordably available worldwide.

Bausch+Ströbel is continually expanding its global presence, providing the best possible support to its customers worldwide.

// We are a family business, guided by a common set of values. ///

Integrated management approach

Our Integrated Management System (IMS) plays a central role in driving continuous improvement across the company. Our quality management, environmental protection, and energy efficiency initiatives are implemented in accordance with ISO 9001, ISO 14001, and ISO 50001 standards. Compliance with the requirements of these standards is reviewed and confirmed annually by an independent certifier.

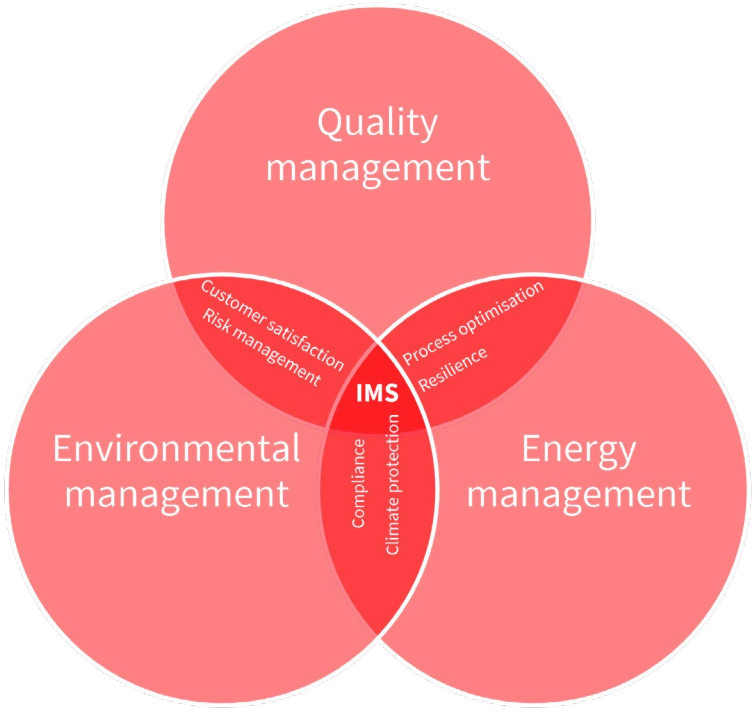

Figure 1: The Integrated Management System

+ The Integrated Management System (IMS) enables the measurement and monitoring of key performance indicators, the results of which are communicated to internal and external stakeholders. This ensures that the company's performance is presented objectively and transparently.
+ The IMS enables Bausch+Ströbel to systematically identify, assess, and mitigate risks. By integrating processes and control mechanisms, we reduce operational risks and strengthen the resilience of our supply chain, benefiting both customers and partners. Environmental and safety risks are continuously monitored and proactively managed, protecting not only our company, but also the environment and society as a whole.
+ The close integration of energy and environmental management allows us to implement targeted initiatives to improve energy efficiency and strengthen climate protection.
+ In addition, regulatory requirements are systematically monitored and addressed across departments within the IMS framework.

// Our Integrated Management System enables us to meet the high expectations and requirements of our global customer base while minimizing business risks. ///

Organizational profile (GRI 2-2 I 2-4 I 2-6)

Executive Board:	Markus Ströbel, Thorsten Bullinger, Dr. Hagen Gehringer, Bernard Frisch, and Abhishek Gakhar
Founding year:	1967
Workforce:	Approx. 2850 worldwide, including approx. 2,100 at Bausch+Ströbel SE + Co. KG
Production capacity:	Approx. 400 machines per year
Turnover:	Approx. € 464 mill. in 2024
Export ratio:	Over 90 percent. Our main sales markets are the USA, China, France, and Belgium.
Worldwide:	We're locally rooted and globally connected. We are represented in more than 50 countries, and our machines are in operation in over 100 countries worldwide.

Starting with a workforce of just four employees, Bausch+Ströbel has grown into an international corporate group with approximately 2,850 employees (see Figure 2). Today, as a manufacturer of specialized machinery, Bausch+Ströbel is a global market leader in the pharmaceutical packaging sector and ranks among the 20 largest industrial enterprises in the Heilbronn-Franconia region.

Figure 2: Workforce figures

Bausch+Ströbel SE + Co. KG is headquartered in Ilshofen, Germany. With our syringe conditioning facility in Neuenstein, logistics center in Wolpertshausen, and prototype development facility in Crailsheim, the majority of our business activities are concentrated in northeastern Baden-Württemberg (see Figure 3). The Büchen facility in Schleswig-Holstein is also part of Bausch+Ströbel SE + Co. KG.

Figure 3: B+S sites in Baden-Württemberg

Product portfolio

Bausch+Ströbel offers a broad portfolio of products - from semi-automatic filling and closing machines designed for laboratory and galenic applications, and equipment for medium output requirements, to complex high-performance lines capable of processing up to 60,000 containers per hour. Wilco AG joined the Bausch+Ströbel Group in 2013 and has been instrumental in expanding our portfolio of products and services to include high-precision, fully automated inspection systems.

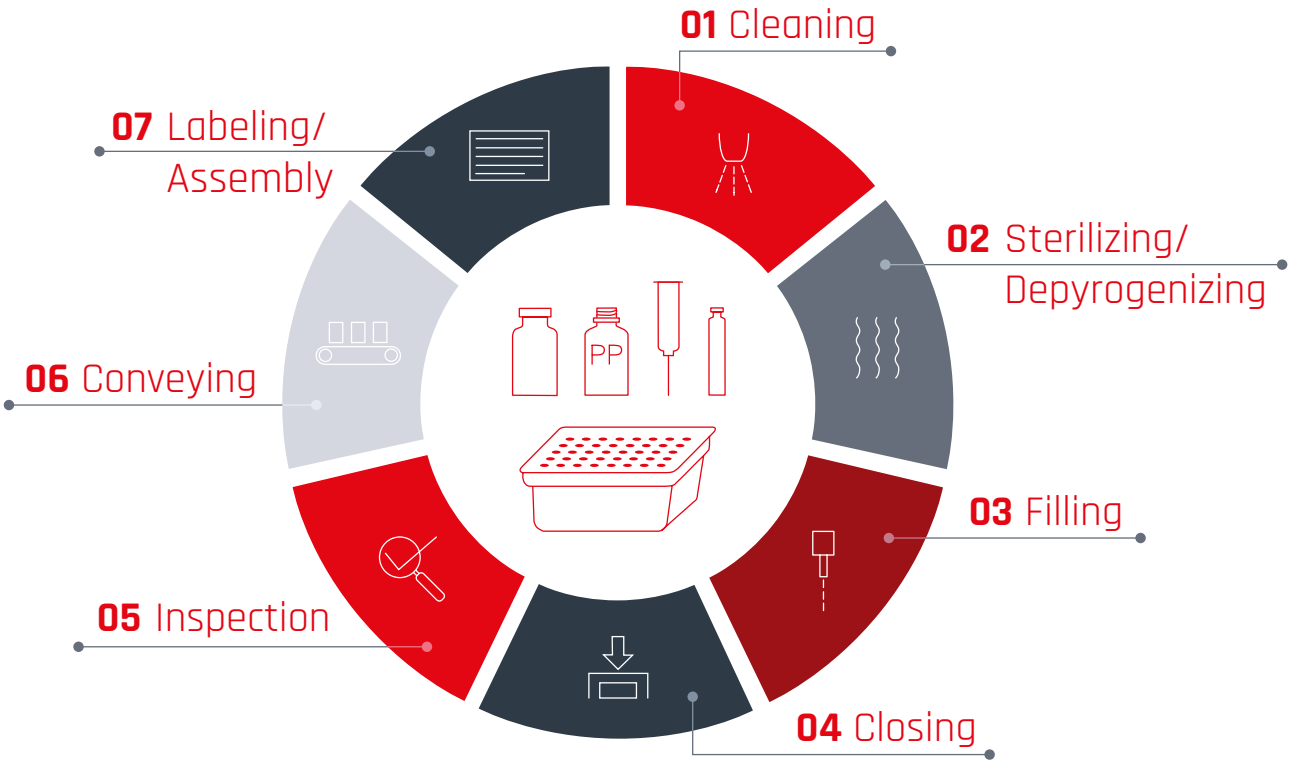

Figure 4: The Bausch+Ströbel product portfolio

Life Cycle Services

Our range of products extends far beyond high-end filling and packaging machines. To ensure optimal capacity utilization and extend service life, Bausch+Ströbel provides a comprehensive range of services throughout the entire product life cycle - from systematic maintenance and extensive spare parts and remote support to complete conversion and retrofitting solutions.

// Thanks to a comprehensive range of services throughout the entire life cycle, our machines achieve an exceptionally long service life - often exceeding 20 years. ///

The Bausch+Ströbel Academy offers a comprehensive range of training and education programs to ensure the qualified and effective training of operating personnel in pharmaceutical companies. Training topics include system availability and efficiency improvement (OEE). These training courses are tailored to meet specific customer requirements and structured in a modular format.

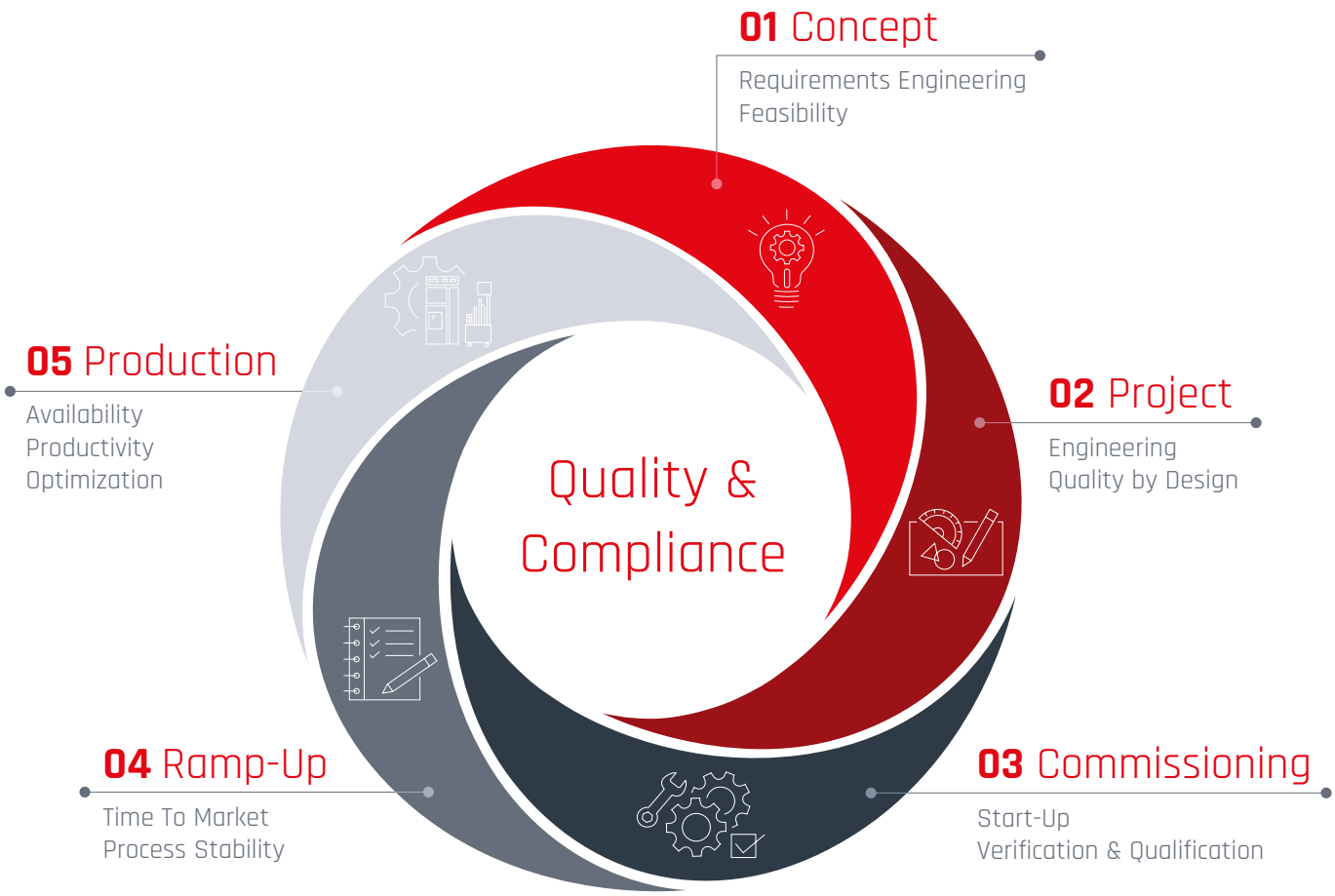

Figure 5: The Bausch+Ströbel range of products and services

Our customers and markets

Bausch+Ströbel's customers include many of the world's leading companies in the pharmaceutical sector. Drawing on our long-standing experience and extensive expertise, we develop optimal solutions precisely tailored to our customers' specific requirements. Bausch+Ströbel has established a global, market-focused group of companies to ensure close proximity to customers, strengthen market presence, and enable fast, direct communication between customers and our teams. In addition, we operate a network of over 50 international service and sales offices, strategically positioned to cater to local markets across the globe.

Sustainability at Bausch+Ströbel

As a second-generation family business, we have always placed great importance on making key decisions that align with our long-term objectives. Accordingly, values such as sustainability and responsibility are deeply embedded in our corporate culture. We view sustainability as a fundamental basis for forward-looking business decisions and for ensuring our long-term corporate success.

To foster sustainability within our company, we pursue an interdisciplinary approach. Sustainability affects many areas of our company, with all employees contributing to ongoing improvements. At the heart of this effort is our environmental and sustainability management system, which serves as a key interface within our Integrated Management System. The system unites departmental requirements and actions into a cohesive overall strategy, developed in close collaboration with the Executive Board.

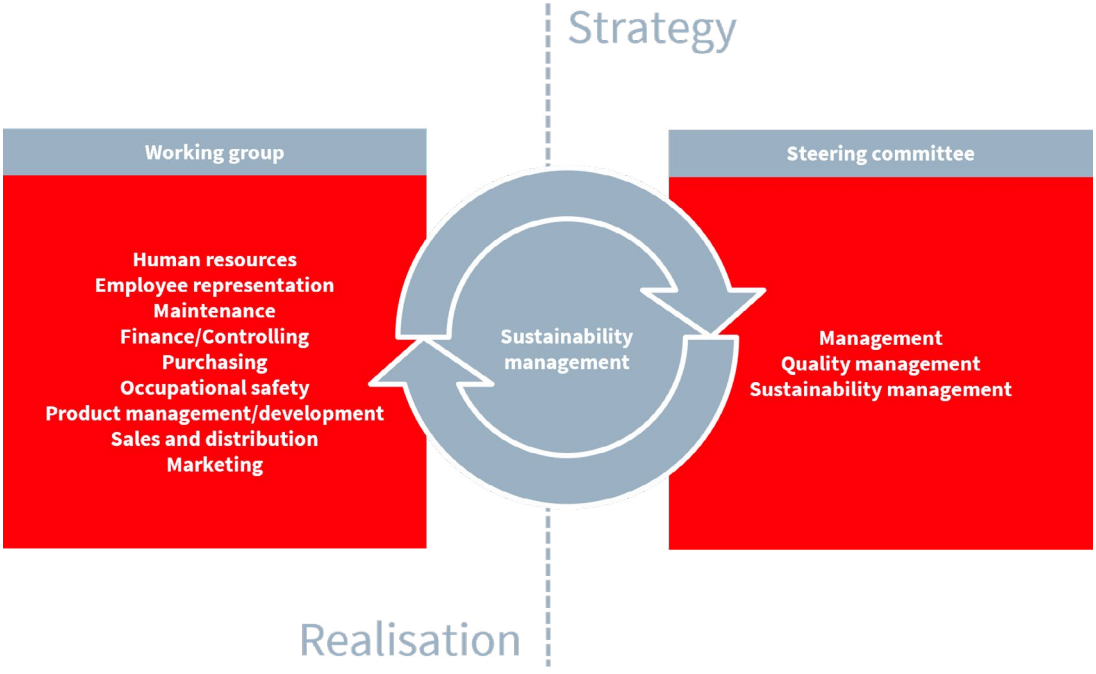

Figure 6: Integration of sustainability management at Bausch+Ströbel

In addition to publishing our key performance indicators in our annual sustainability report, we have earned recognition from multiple rating platforms and actively participate in a range of sustainability initiatives. Bausch+Ströbel is regularly audited by EcoVadis and Integrity Next to ensure transparency and drive continuous improvement in sustainability - both across its supply chain and at its own sites. We also participate in KLIMAWIN BW, an initiative launched by the state of Baden-Württemberg to promote the continuous enhancement of corporate sustainability performance. As part of this program, we publish an annual KLIMAWIN Report.

Identifying core areas of action: Double Materiality Analysis (DMA)

In December 2024, in preparation for compliance with the European Sustainability Reporting Standards (ESRS), Bausch+Ströbel conducted a comprehensive Double Materiality Analysis to identify key areas for sustainable development. This process involved evaluating the actual and potential positive and negative impacts of our business activities (impact materiality), as well as related financial risks and opportunities (financial materiality), in accordance with the topics outlined in ESRS 1 AR 16.

The impacts and requirements of relevant stakeholder groups were taken into account in the DMA. The underlying criteria were established within the IMS and are subject to annual review and revision.

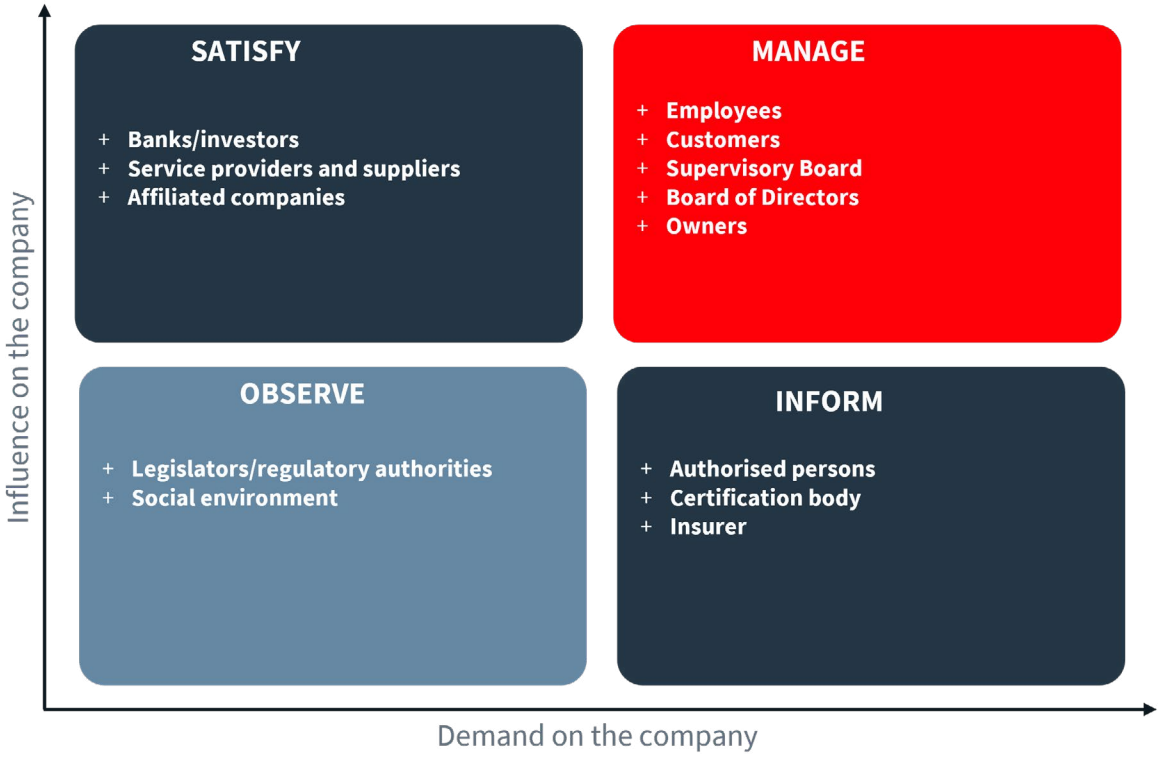

Figure 7: Relevant stakeholder groups

To identify company-specific impacts, risks, and opportunities (IROs), interviews were conducted with a range of internal experts. The participants were asked standard-specific questions aligned with the guidelines, content, and disclosure requirements of the ESRS. The results of the interviews were systematically documented and categorized as Impacts, Risks, or Opportunities (IROs). In a series of workshops, the materiality of the compiled IROs across the Environmental, Social, and Governance (ESG) standards was assessed together with the Executive Board and relevant subject-matter experts, based on defined evaluation criteria and methodologies.

Overall, the internal materiality assessment produced the following results:

+ Ecology: 11 key IROs identified from 3 topic standards
+ Social affairs: 17 key IROs identified from 3 topic standards
+ Corporate governance: 5 key IROs identified from 1 topic standard

Based on these results, the following key topics were identified:

+ Ecology: E1 - Climate Protection, E4 - Biodiversity, and E5 - Circular Economy,
+ Social Affairs: S1 - Own Workforce, S2 - Workers in the Value Chain, and S4 - Consumers and End Users
+ Corporate Governance: G1 - Governance

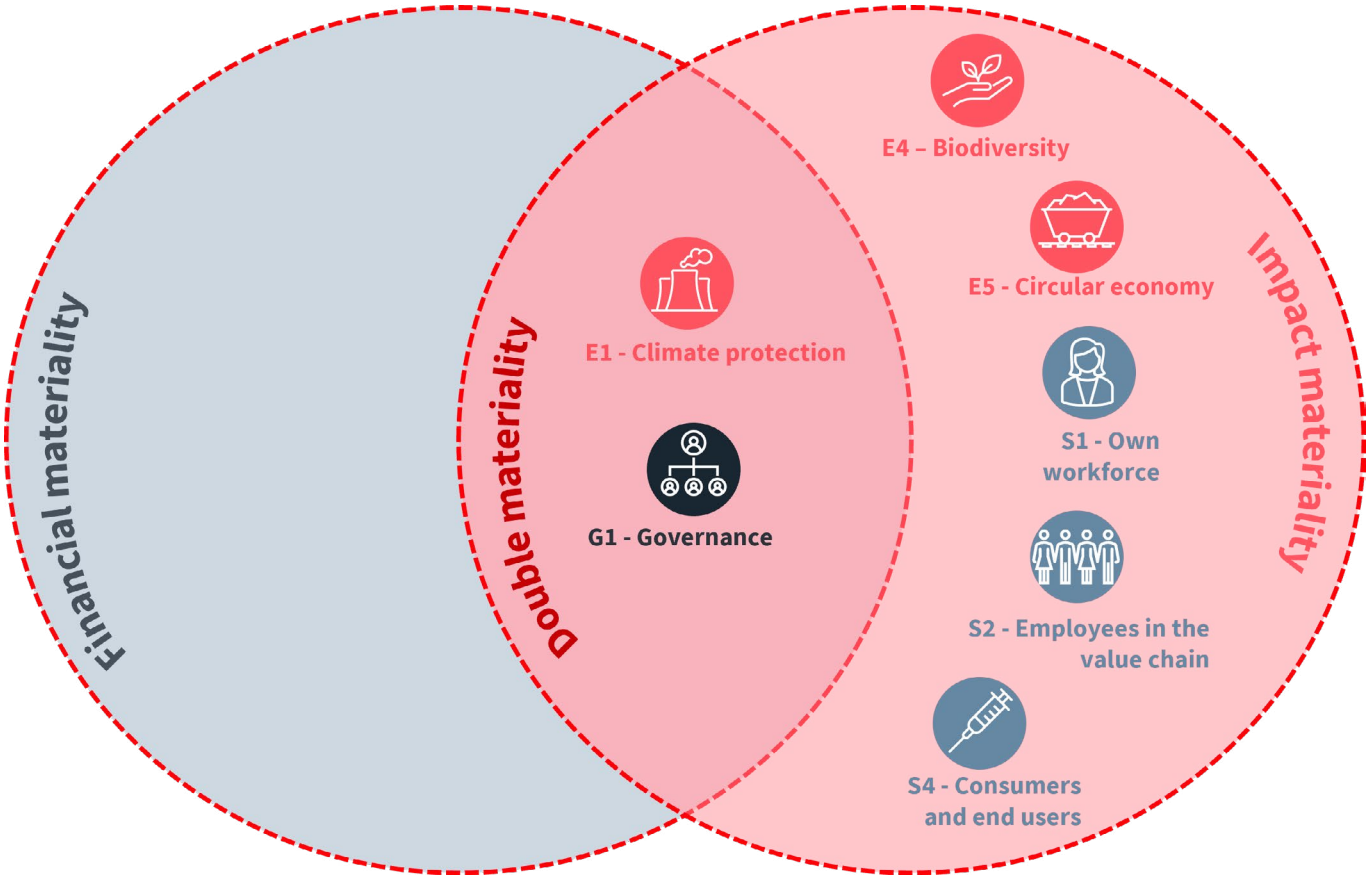

Figure 8: Summary of the Double Materiality Analysis (DMA)

As the reporting requirements under the CSRD have been deferred to the 2027 reporting year under the EU Omnibus Regulation, Bausch+Ströbel has decided to continue reporting in accordance with the GRI Standards until further notice. To ensure consistency, the results of the Double Materiality Analysis (DMA) were mapped to the relevant GRI Standards. For this purpose, the identified Impacts, Risks, and Opportunities (IROs) were assigned to their corresponding GRI disclosures. IROs that cannot be linked to a specific GRI standard are treated as company-specific topics.

Table 1: Mapping of key CSRD topic standards to GRI Standards and Sustainable Development Goals (SDGs)

ESRS Topic Standard	IRO	GRI Standards	Mapping to SDG
E1 – Climate action	GHG emissions from the use of fossil fuels	GRI 305-1| 305-2| 305-3	SDG-13: Climate Action
E1 – Climate action	Reduction of Scope 3 emissions through the use of sustainably produced and recycled raw materials	GRI305-3| GRI 305-5	SDG-13: Climate Action
E1 – Energy	Use of renewable energy	GRI 302-1| 302-3| 302-4	SDG-7: Affordable and clean energy
E1 – Climate action	Avoidance of indirect emissions through long product life cycles	GRI305-3| GRI 305-5	SDG-13: Climate Action
E1 – Adaptation to climate change impacts	Adaptation to heat waves to protect employee health and well-being	Company-specific topic	
E1 – Climate action	Decarbonization of logistics	GRI 305-5	SDG-13: Climate Action
E1 – Climate action	Sustainable emission reduction targets to meet customer requirements	GRI 305-5	SDG-13: Climate Action
E4 – Direct causes of biodiversity loss	Land use change and ecosystem degradation due to raw material extraction and processing	GRI 101-2	SDG-15: Life on Land
E5 – Resource inflows	High resource consumption resulting from the production of packaging machines	GRI 301-1	SDG-12: Sustainable Consumption and Production
E5 – Resource outflows	Resource conservation through long machine service life	Company-specific topic	SDG-12: Sustainable Consumption and Production
S1 – Health and safety	Workplace accidents	GRI 403-2| 403-9	SDG-3: Good Health and Well-being
S1 – Health and safety	Occupational diseases	GRI 403-2| 403-10	SDG-3: Good Health and well-being
S1 – Right of workers to information, consultation and co-determination	Internal communication	Company-specific topic	
S1 – Fair remuneration	Fair, transparent, and adequate remuneration	GRI 202-1	SDG-1: No Poverty
S1 – Freedom of association, representation through works councils, and protection of workers' rights	Comprehensive collective bargaining coverage and active participation of works councils in corporate decision-making	GRI 2-30	SDG-8: Decent Work and Economic Growth

ESRS Topic Standard	IRO	GRI Standards	Mapping to SDG
S1 – Work-life balance	High degree of flexibility and work-life balance for employees	GRI 403-6	SDG-3: Good Health and Well-being
S1 – Health and safety	Employee health protection and preventive care programs	GRI 403-6	SDG-3: Good Health and Well-being
S1 – Training and skills development	Promoting high-quality training that enhances employee skills and improves retention	GRI 2-7	SDG-4: Quality Education
S1 – Training and skills development	Promoting the development of professional and personal skills	GRI 401-1| 404-3	SDG-4: Quality Education
S1 – Social Dialogue	Fostering an open communication culture with the works council to address employee concerns	Company-specific topic	
S1 – Gender equality	Achieving gender balance in leadership positions	GRI 405-1	SDG-5: Gender Equality
S2 – Working conditions	Upholding high social and safety standards across the supply chain	GRI 414	SDG-8: Decent Work and Economic Growth
S2 – Other work-related rights	Risk of human rights violations, for example, related to the mining of conflict minerals, bauxite extraction, or the sourcing of raw materials for electronic components, etc.	GRI 408| 409| 414	SDG-8: Decent Work and Economic Growth
S2 – Working conditions	Health protection ensured through training of operating personnel and high safety standards for machinery	Company-specific topic	SDG-7: Good Health and Well-being
S4 – Social inclusion of consumers and/or end users	Access to life-saving medicines and prevention of shortages. Advancing innovation in patient-specific therapies	Company-specific topic	SDG-7: Good Health and Well-being
S4 – Social inclusion of consumers and/or end users	Product safety in medicines: Ensuring pure, safe pharmaceuticals and a stable supply of medicines for patients	Company-specific topic	SDG-7: Good Health and Well-being
G1 – Corporate culture	Oversight and global dependencies in the supply chain	GRI 408| 409| 414	SDG-8: Decent Work and Economic Growth
G1 – Management of supplier relations	Cooperative relationships with suppliers and fair payment terms	GRI 204	SDG-17: Partnerships For the Goals
G1 – Management of supplier relations	Supply chain disruptions resulting from external factors beyond our control	Company-specific topic	

2. Environment and Energy

2.1 Energy Consumption and Renewable Energy (GR | 302-1 | 302-3 | 302-4)

As is customary in manufacturing companies, energy management and energy efficiency are key components of our sustainability strategy. Only by gaining a detailed understanding of our internal energy consumption and flows can we identify opportunities for optimization and define targeted efficiency measures.

In recent years, rising energy prices and unstable energy markets have significantly increased the economic risk for many companies, particularly in the mechanical engineering sector. To address these challenges, we have expanded our integrated management system and, in 2024, enhanced it through ISO 50001 certification.

As part of this energy management system, major energy consumers are identified using a detailed metering-point concept, while energy-saving measures are coordinated and employees are trained at all certified locations.

Ongoing measures include replacing lighting systems in production halls and office buildings, as well as regular leak testing of our compressed air systems. It is also worth mentioning that we have established a waste heat register, which will allow even more efficient use of process-generated waste heat in the future.

Beyond efficiency improvements, we remain committed to the expansion of renewable energy sources. Bausch+Ströbel has been generating electricity through photovoltaic systems for many years, and in the past year, we added another 270 kWp system at our logistics center. To cover electricity demand not met by in-house generation, we source certified green electricity from renewable providers. As a result, renewable energy now accounts for 93 % of our total electricity consumption.

// At Bausch+Ströbel, energy efficiency is a key factor in advancing climate protection and mitigating economic risks. ///

2.1.1 Energy balance for 2024

Table 2: Energy consumption in 2024

	2024	2023
Total energy consumption	**14,486 MWh**	**13,875 MWh**
Heat energy consumption	7,442 MWh	6,662 MWh
Supply of heat to third parties*	1,276 MWh	1,274 MWh
District heating consumption	740 MWh	580 MWh
Heat energy (gas)	5,751 MWh	4,876MWh
Heat energy (fuel oil)	145 MWh	539 MWh
Heat energy (biogas)	46 MWh	87 MWh
Total electricity consumption	**7,634 MWh**	**7,246 MWh**
Supply of electricity to third parties*	596 MWh	636 MWh
Electricity from renewable sources	7,086 MWh	6,810 MWh
Self-generated electricity (PV)	1,986 MWh	2,027 MWh
Energy consumption of company fleet	233 MWh	Not applicable
Energy consumption of company vehicles	606 MWh	Not applicable

* not included in total consumption figures

The increases in heat and electricity consumption compared with the previous year are due to minor weather-related factors and higher company performance:
Heat consumption increased by 11.4 % and electricity consumption by 5.4 %, in line with an 11.4 % growth in total company sales.

2.1.2 Renewable Energy

Table 3: Share of renewable energy in 2024

	2024	2023
Overall share of renewable energy	49 %	50 %
Share of renewable electricity	93 %	94 %

With the exception of a few smaller sites, our electricity requirements are already covered by renewable energy sources. By integrating the remaining locations into our green electricity supply contracts, we expect to achieve full coverage within the next two to three years.

Until now, renewable energy has played only a minor role in generating the heat required at Bausch+Ströbel, which is reflected in the relatively low share of renewables in our total energy consumption. This represents the greatest potential for reducing greenhouse gas emissions. Through the implementation of a long-term strategy to convert processes that currently rely on oil and gas, Bausch+Ströbel aims to significantly increase the share of renewable energy in the coming years.

2.2 Greenhouse Gas Emissions and Climate Change (GRI 305-1 I 305-2 I 305-3 I 305-5)

Climate change represents one of the greatest political and social challenges of our time. Rising temperatures, along with more frequent storms and droughts, are only the early signs of a global process that threatens our health, prosperity, and, ultimately, the political stability of many regions and countries.

We therefore regard it as part of our corporate responsibility to contribute actively to climate protection, to continuously reduce our greenhouse gas emissions, and ultimately to strive for CO_2 neutral business operations.

Our current corporate targets aim for near-complete CO_2 in our own operations (Scope 1 and Scope 2 emissions) by 2030, and for broad CO_2 neutrality in all our business processes, including Scope 3 emissions, by 2040.

To ensure our goals are in line with the latest scientific findings, we committed at the end of 2024 to establishing science-based greenhouse gas reduction targets in accordance with the Science Based Targets initiative (SBTi). These targets will supersede the previous reduction targets.

They are based on a comprehensive assessment of greenhouse gas emissions across our entire value chain, carried out for the first time for the 2024 reporting year.

The calculation was made using software based on the Greenhouse Gas Protocol (GHG) and emission factors from the EcoInvent database (versions 3.10 and 3.11), following the IPCC 2021 calculation model. The greenhouse gas emissions stated in CO_2 equivalents (CO_2e) include all relevant climate-impacting substances in accordance with the GHG Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). For clarity, only those emission categories relevant in a corporate context are listed.

Note:
Due to necessary adjustments in the delineation of third-party volumes, Scope 1 and Scope 2 emissions for 2023 were recalculated and therefore differ from the figures published in the previous sustainability report.

2.2.1 Scope 1 Emissions

Table 4: Scope 1 emissions

	2024	2023
Total Scope 1 emissions	**1,667 t CO_2e**	**1,369 t CO_2e**
Mobile combustion	457 t CO_2e	242 t CO_2e
Stationary combustion	1,197 t CO_2e	1,126 t CO_2e
Volatile emissions	14 t CO_2e	Not applicable

The overall increase in thermal energy demand led to a rise in Scope 1 emissions in 2024. However, emissions from stationary combustion grew less than the increase in heating demand, as the use of more carbon-intensive oil combustion declined significantly (see also Section 2.1). As mentioned above, the increase in fossil fuel consumption was primarily driven by higher business activity (+11.4 % in total sales). Emissions from mobile combustion - including company fleets and service vehicles - also rose, mainly due to increased business travel.

In the coming years, reductions in Scope 1 emissions will be achieved primarily by converting processes that still rely on fossil fuels, particularly in process heat generation and building heating. The long-term goal is for all Bausch+Ströbel sites to operate entirely without fossil fuels. This will not only significantly reduce the company's carbon footprint but also make its energy supply more resilient and less vulnerable to external risks.

2.2.2 Scope 2 Emissions

Table 5: Scope 2 emissions

	2024	2023
Total Scope 2 emissions (market-based)	**244 t CO_2e**	**179 t CO_2e**
Current	192 t CO_2e	151 t CO_2e
District heating	52 t CO_2e	28 t CO_2e

Since Bausch+Ströbel has been using renewable electricity for many years, Scope 2 emissions account for only a very small share of our overall carbon footprint. The remaining emissions stem from a few smaller sites that use district heating and/or whose electricity consumption is not yet fully covered by certified green power contracts. Over the next two to three years, we plan to source electricity from renewable sources at all locations, thereby eliminating emissions from electricity generation entirely. The district heating we purchase is already produced from biomass (wood chips) and will therefore continue to be used for the time being.

2.2.3 Scope 3 Emissions

Table 6: Scope 3 emissions

	2024
Total Scope 3 emissions	**132,487 t CO_2e**
Cat. 1: Purchased goods and services	38,927 t CO_2e
Cat. 2: Capital goods	3,491 t CO_2e
Cat. 3: Fuel and energy-related emissions (upstream)	942 t CO_2e
Cat. 4: Upstream logistics	849 t CO_2e
Cat. 5: Waste	127 t CO_2e
Cat. 6: Business trips	2,299 t CO_2e
Cat. 7: Commuting of employees	2,124 t CO_2e
Cat. 9: Downstream logistics	1,696 t CO_2e
Cat. 11: Use of purchased products	82,005 t CO_2e
Cat. 12: Disposal or recycling of sold products	26 t CO_2e

Scope 3 emissions were calculated for the first time in the 2024 reporting year and, at 98.6 %, represent by far the largest share of Bausch+Ströbel's total emissions.

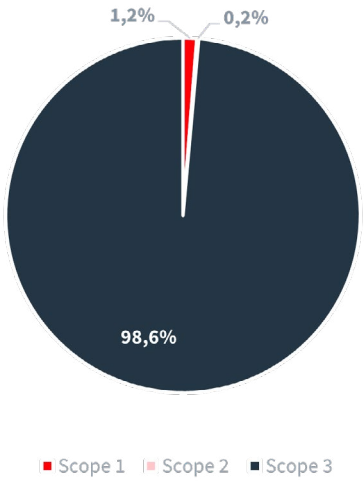

Figure 9: Distribution of greenhouse gas emissions in 2024

The individual categories of Scope 3 emissions vary considerably. As is typical for mechanical engineering companies, upstream emissions from purchased goods and services (Scope 3.1) account for a significant share – nearly 30 %. This high proportion reflects the nature of our business, which involves processing and procuring a wide range of materials and components for the manufacture of complex products. The production of our filling and packaging systems is a material-intensive process supported by an extensive upstream supply chain. At the same time, this presents opportunities for future emission reductions. As reduction requirements increase across industries, the availability of materials and components with lower carbon footprints is expected to grow in the coming years. This will enable Bausch+Ströbel to work even more closely with suppliers and service providers to reduce and prevent CO_2 emissions throughout the upstream supply chain.

A much larger share of emissions, however, originates from the operation of Bausch+Ströbel systems at customer sites worldwide. The use phase of our products accounts for well over half (62 %) of total Scope 3 emissions. These emissions are calculated based on the long service life of our equipment - often exceeding 20 years - which explains their substantial share in the downstream supply chain. Alongside material procurement, the energy and media consumption of our systems represents the second key area for emission reductions along the value chain. Our machine and system portfolio is continuously updated and optimized. By integrating our climate targets directly into the product planning process, Bausch+Ströbel aims to achieve significant reductions in supply chain emissions while offering customers increasingly energy-efficient systems.

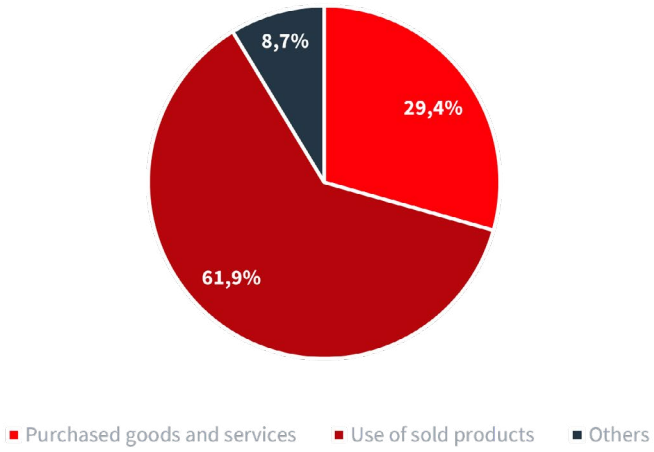

Figure 10: Distribution of Scope 3 emissions in 2024

The remaining categories account for just under 9 % of Scope 3 emissions and play only a minor role in developing reduction scenarios.

// Bausch+Ströbel's primary goal is to reduce its carbon footprint by systematically transitioning to renewable energy sources and strategically aligning its procurement and product development processes with this objective. ///

2.2.4 Adaptation to Climate Change

The effects of climate change are already being felt, and cannot be averted even if the 1.5 °C target is achieved. This development creates additional risks for companies and requires the implementation of suitable adaptation measures.

To address these challenges, Bausch+Ströbel conducted a comprehensive assessment of climate-related risks across its business processes and locations. The analysis was based on the Representative Concentration Pathways (RCPs) developed by the International Panel for Climate Change (IPCC). Using detailed forecasts from local weather services, flood maps, and IPCC climate projections, each site was evaluated for potential climate risks, and areas requiring strategic adaptation were identified.

None of the company's locations are situated in flood zones, meaning that buildings and business operations are not directly threatened by large-scale flooding. However, the assessment identified an increased risk of heat waves, droughts, and heavy rainfall events at all sites in the coming decades.

+ Heat waves: A significant increase in the frequency and duration of heat waves is expected at all locations. his will place greater demands on indoor climate management to ensure stable production processes and safeguard employee well-being.

+ Drought and water shortage: Due to increasingly uneven precipitation patterns, all sites may experience more frequent dry periods. Depending on their duration and intensity, such events could lead to lower groundwater levels and potential water shortages.

+ Heavy rainfall events: Alongside longer dry periods, irregular precipitation will also result in heavy rainfall events exceeding 25 l/m^2 within one hour. Even in regions outside traditional flood zones, flash floods may occur, posing risks of water ingress and building damage.

The insights gained from this analysis have been incorporated into the company's strategic planning for construction and renovation projects, as well as the design of resilient business processes. These measures will help us mitigate climate-r elated business risks and ensure the continued stability of operations.

2.3 Resource Efficiency and Circular Economy (GRI 301-1 I 306-1 bis 306-5)

2.3.1 Material Consumption

As explained in Section 2.2.3, upstream emissions account for approximately 30 % of Bausch+Ströbel's total carbon footprint. Consequently, understanding material consumption is a key prerequisite for reducing greenhouse gas emissions.

The recorded material consumption figures refer exclusively to raw materials used in the production of machined parts, both in-house and by extended workbench service providers. Materials for purchased components, such as electronic parts or other complex machine assemblies, are not included.

Table 7: Raw materials consumption in 2024

Raw materials	2024	Share
Aluminum	85,833 kg	13.6 %
Rigid foam (PU)	10 kg	< 0.1 %
Natural rubber	3 kg	< 0.1 %
Other plastics	486 kg	0.1 %
Plastic, PP resin, fossil-based	1,433 kg	0.2 %
PA6 polyamide	2,331 kg	0.4 %
PMMA (polymethyl methacrylate)	13 kg	< 0.1 %
Polycarbonate (PC)	11,111 kg	1.8 %
Polyethylene terephtalate (PET)	34,015 kg	5.4 %
Polyoxymethylene (POM)	49,093 kg	7.8 %
Steel	444,678 kg	70.7 %

Predictably, steel accounts for the largest share of materials used - a total of over 440 tons (70.7 %), followed by aluminum with approximately 86 tons (13.6 %). Among plastics, polyoxymethylene (POM) represents the largest proportion at around 49 tons (7.8 %), followed by polyethylene terephthalate (PET) at approximately 34 tons (5.4 %).

In total, the extraction and transport of these raw materials result in CO_2 emissions of about 1,896 tons, representing roughly 1.4 % of Bausch+Ströbel's overall carbon footprint. Steel (52.5 %) and aluminum (32.8 %) contribute the most to these emissions.

Table 8: Global warming potential (GWP) of raw materials consumed in 2024

Raw materials	2024	Share
Aluminum	621,432 kg CO_2e	32.8 %
Rigid foam (PU)	45 kg CO_2e	< 0.1 %
Natural rubber	8 kg CO_2e	< 0.1 %
Other plastics	2,060 kg CO_2e	0.1 %
Plastic, PP resin, fossil-based	6,834 kg CO_2e	0.4 %
PA6 polyamide	10,537 kg CO_2e	06 %
PMMA (polymethyl methacrylate)	87 kg CO_2e	< 0.1 %
Polycarbonate (PC)	55,872 kg CO_2e	2.9 %
Polyethylene terephtalate (PET)	127,639 kg CO_2e	6.7 %
Polyoxymethylene (POM)	76,218 kg CO_2e	4.0 %
Steel	995,742 kg CO_2e	52.5 %

2.3.2 Product Life Cycle and Circular Economy

The material requirements of Bausch+Ströbel systems are offset by the exceptionally long service life of our products. From the outset, our systems are designed for reliable, smooth operation over many years.

This is achieved through product designs that prioritize durability, reparability, and adaptability right from the start (see Figure 11). Bausch+Ströbel also provides a comprehensive range of services throughout the entire life cycle of its systems - from regular maintenance, repairs, spare parts supply, and retrofitting to meet new regulatory requirements or customer-specific needs. As a result, many of our systems remain in operation for more than 20 years.

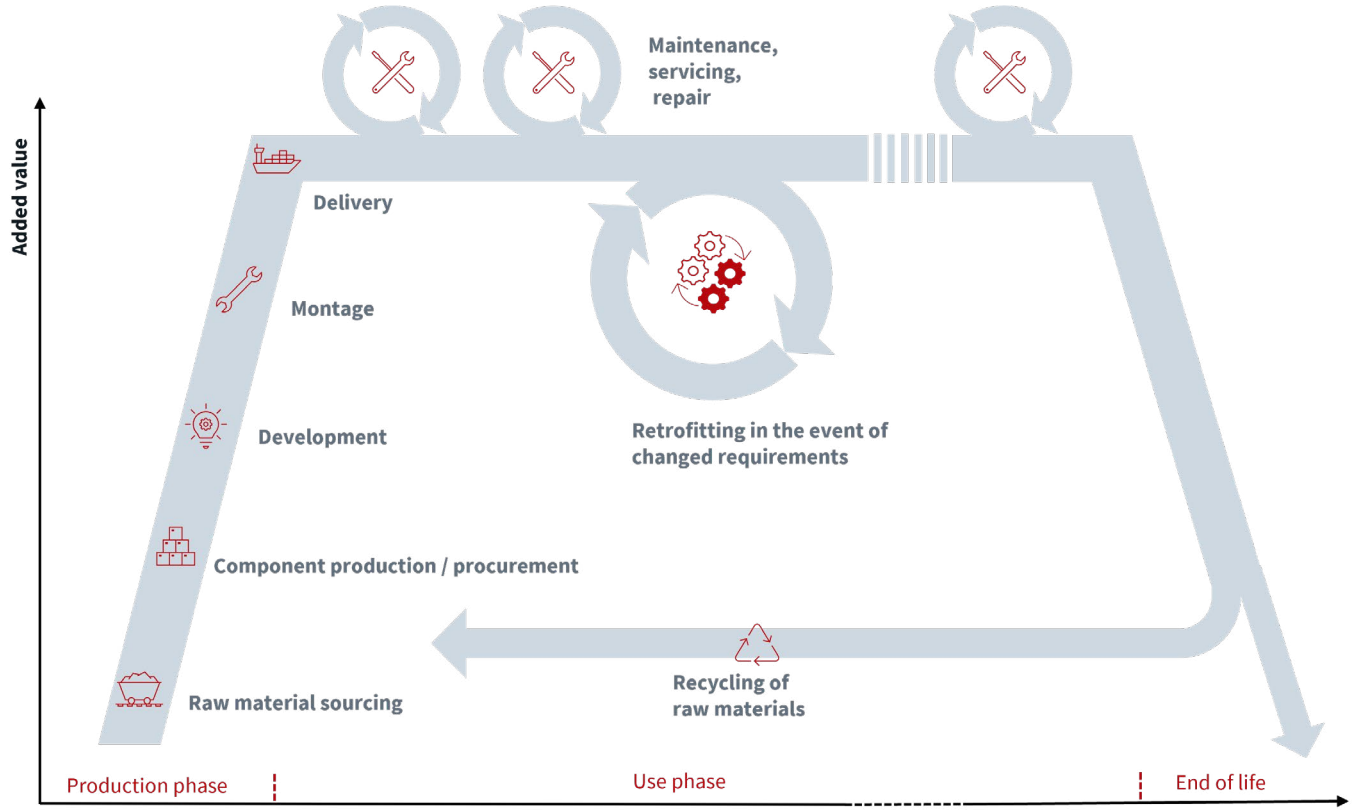

Figure 11: Typical life cycle of a Bausch+Ströbel line

At the end of their useful life, our systems can be dismantled into individual components, enabling efficient recycling of the raw materials used. o support our customers in this process, our machine manuals include detailed information on the separation and recycling of materials.

// In combination with a product design focused on durability and a comprehensive range of services throughout the entire life cycle, this approach makes an important contribution to the sustainability of our products. ///

2.3.2 Waste

As a manufacturing company, Bausch+Ströbel generates various types of waste due to the wide range of materials purchased and processed in its operations. Given the nature of our production processes, metal and plastic waste fractions play a particularly important role. Glass waste, which primarily results from filling containers during machine test runs, also accounts for a significant share of total waste.

Effective waste management has been a high priority at Bausch+Ströbel for many years - not only for environmental reasons but also for economic ones. Properly separated waste fractions can be recycled as valuable materials and even generate revenue.

Our waste is therefore carefully sorted to maximize recyclability, enabling us to consistently achieve a material recycling rate of over 80 %. For disposal, we work with certified regional waste management companies to ensure short transport routes and rapid processing.

Based on 2023 data, we were able to reduce our overall waste volume. However, as shown in Table 6, the proportion of hazardous and municipal waste increased. In the future, it will be essential to identify and implement measures aimed at reducing these types of waste on a consistent basis.

Table 9: 2024 waste balance

Waste fraction	2024	2023
Total quantity	**954.71 t**	**965.37 t**
Of which hazardous	146.64 t	105.46 t
Of which non-hazardous	808.07 t	858.90 t
Total metals	205.47 t	183.66 t
Total glass waste	139.85 t	103.32 t
Municipal waste	106.70 t	94.42 t
Total plastics waste	96.80 t	88.42 t
Wood	93.96 t	84.28 t
Overall materials recycling rate	83 %	84 %

// By consistently separating waste, Bausch+Ströbel transforms waste into valuable recyclable materials. ///

2.4 Biodiversity (GRI 101-2)

Biodiversity is a vital foundation for stable and resilient ecosystems and is essential for the survival of both humanity and the natural environment, particularly against the backdrop of ongoing global climate change. The global decline in species diversity poses a major challenge. Industry, too, contributes to biodiversity loss through activities such as raw material extraction, land sealing, and environmental pollution. As a company, Bausch+Ströbel recognizes its responsibility and contributes to the preservation of biodiversity in a variety of ways, as outlined below.

Our machines are composed of a wide range of materials and components, which are extracted and processed along an extensive upstream supply chain. The extraction of raw materials such as bauxite for aluminum production and iron ore for steel - both essential materials for our plant construction (see Table 7) - inevitably affects ecosystems. Within the framework of the DWA, the extraction of natural resources has been identified as a significant impact due to its negative effects on biodiversity, for example through land use or soil degradation. To address this, we are gradually transitioning to the use of recycled materials (e.g., recycled steel) in the manufacture of our machines, helping to reduce or avoid land use associated with new raw material extraction.

The protection of biodiversity is an important consideration not only along our supply chain but also at our company sites. We are aware that changes in land use - for example, through new construction projects - can affect natural habitats, ecological diversity, and local water and soil balance. As part of our participation in the KLIMA-WIN initiative (see above), we began implementing measures to promote biodiversity at our sites during the reporting year. In this context, we joined the UnternehmensNatur projects organized by the NABU regional association in Baden-Württemberg and took part in the Zukunft schenken - Bäume pflanzen ("Give the Gift of the Future - Plant Trees") initiative.

As part of the UnternehmensNatur project, the NABU regional association conducted an on-site assessment at our Ilshofen location last year to evaluate current conditions and develop a customized, nature-friendly site design for Bausch+Ströbel. Initial measures have already been implemented, with further steps planned for fall 2025. As part of our children's holiday program, employees' children, with the support of a gardener, planted herbaceous perennials in rooftop garden beds and built insect nesting boxes, which were placed nearby. Behind our assembly hall, a green space with a retention basin has naturally developed over the summer, with reeds and flowering plants such as buttercups and clover now thriving. In the fall, we will work with a landscape gardener to design three additional areas: a wildflower meadow, a nutrient-poor grassland, and a natural perennial garden on a previously unplanted section of the factory grounds. Going forward, this initiative will be expanded to further promote biodiversity not only in Ilshofen but also at other Bausch+Ströbel locations.

Table 10: Biodiversity zones in 2024

	2024	2023
Number of zones dedicated to nature conservation measures	2	0
Total area dedicated to nature conservation measures	410 m^2	0 m^2

With the support of our employees, we were able to donate and plant 5,000 deciduous trees of various native species in a forest near Ilshofen in 2024 as part of the "Giving the Gift of the Future – Planting Trees" project. A symbolic tree-planting event rounded off this biodiversity initiative.

In addition, we carefully assess potential interventions - such as construction projects for new site development or the expansion of existing facilities - and prioritize sustainable land-use concepts to minimize negative impacts on biodiversity.

// Bausch+Ströbel assumes responsibility for protecting biodiversity at its own sites and throughout its supply chain through a range of targeted measures. ///

2.5 Water (GRI 303-3 I 303-4)

Water is becoming an increasingly scarce resource worldwide due to factors such as climate change, environmental degradation, and intensive industrial water use. The first effects are already being felt in some of the regions where we operate, for example through irregular rainfall patterns and the growing risk of water shortages (see Section 2.2.4). Although water is not classified as a material topic for us according to the DWA (German Association for Water, Wastewater, and Waste) and our overall water demand is comparatively low, Bausch+Ströbel attaches great importance to the responsible use of water, which remains essential for our processes. In addition to the water used for our sanitary facilities, we also require water for production processes and for testing our machines.

To meet the purity and hygiene requirements of the pharmaceutical sector, our Ilshofen site operates an electroplating facility for surface finishing, which has been running without wastewater since 2023. The wastewater is treated in a vacuum evaporator, and the resulting distillate is fully reused in the two exhaust air scrubbers of our electroplating facility. The residual concentrate from the distillation plant is disposed of by a certified waste management company. By reusing water within the process, Bausch+Ströbel achieves annual savings of around 300 m^3. This also significantly reduces the risk of harmful environmental impacts from substances contained in the wastewater.

Not only do our manufacturing processes depend on the availability of water, but the operation of our machines does as well. Specifically, water is used to clean and cool the containers being filled on the machines. We continuously work to improve resource efficiency in our operations so that our customers can also benefit from reduced water consumption. One example is the ECOwash configuration, which uses alternative cleaning nozzles to achieve a range of performance and efficiency improvements. These include a reduction in water consumption of up to 40 % and the potential to lower compressed air consumption by up to 20 %. Additional benefits include reduced noise emissions and improved cleaning quality.

Furthermore, Bausch+Ströbel requires a considerable amount of water to carry out test runs with its machines before delivery to customers. This water is used as a test medium for filling the containers.

To ensure transparency in our water usage, we are continuously expanding our measurement systems. This also improves data quality and helps us identify further opportunities for optimization. The following table presents the water balance for the past two years. The slight increase between 2023 and 2024 can be attributed to sales growth.

Table 11: 2024 water balance

	2024	2023
Water withdrawal (third-party sourced from water)*	12.84 thou. m^3	12.30 thou. m^3
Water recirculation – disposal (third-party sourced water)	0.036 thou. m^3	0.031 thou. m^3
Water recirculation – wastewater (third-party sourced water)	12.80 thou. m^3	12.27 thou. m^3

* No water is withdrawn from surface water, groundwater, seawater, or produced water sources.

// Despite its relatively low overall water consumption, Bausch+Ströbel places great importance on the responsible use and management of water resources – both within its own operations and in the design and performance of its machinery. ///

2.6 Environmental Risk Management

To ensure that systems and processes operate smoothly and without adverse environmental impacts, Bausch+Ströbel maintains a comprehensive preventive risk management system as part of its environmental management program. Our environmental management system enables us to identify, assess, and control potential environmental impacts of our business activities at an early stage. A core element is the systematic identification and analysis of all relevant environmental risks – ranging from emissions to resource consumption. These risks are evaluated based on their likelihood of occurrence and potential impact, allowing us to set clear priorities. On this basis, specific measures are planned and implemented to prevent or mitigate risks. The effectiveness of these measures is verified through continuous monitoring, internal and external audits, and annual management reviews. The entire system is adjusted and improved as necessary.

Facilities that could pose a higher risk of environmental impact (e.g., in the event of leaks of water-hazardous substances or if emission limits are exceeded) are closely monitored and maintained in impeccable condition. Where required, monitoring is carried out through regular measurements conducted by approved testing bodies and institutes.

In emergency situations, a crisis intervention team of trained and dedicated employees is available and can be alerted via an emergency call system. The effectiveness of emergency procedures is regularly tested and confirmed through drills, some of which are conducted jointly with local emergency services.

Figure 12: Environmental risk management at Bausch+Ströbel

Table 12: Monitoring of environmental incidents

	2024	2023
Monitored systems*	27	25
Limit violations	0	0
Environmental incidents resulting in harm to people or the environment	0	0
Emergency drills conducted	1	1

* Facilities subject to the German Water Hazardous Substances Ordinance (AwSV) and the German Federal Immission Control Ordinance (BImSchV)

// Our environmental management system not only ensures compliance with legal requirements but also enhances the company's sustainability and resilience. ///

3. Work, health and social affairs

3.1 Our Employees (GRI 2-7)

Our employees are at the heart of our corporate responsibility - they are the very core of Bausch+Ströbel. For us, social sustainability means fostering a working environment where respect, equal opportunity, and personal development are lived values. We are committed to promoting the health and well-being of our employees, valuing their diversity, and fostering their development in a sustainable way. Only with a motivated and satisfied team can we meet the challenges of the future, achieving sustainable success through high-quality systems and creating lasting value for society. Our guiding principles are set out in our corporate policies on human resources and human resources and occupational health and safety.

In 2024, Bausch+Ströbel SE + Co. KG employed nearly 2,100 staff members under both permanent and fixed-term contracts, working in full-time and part-time positions (as of December 31, 2024). Figure 13 provides an overview of employees by gender and employment contract type.

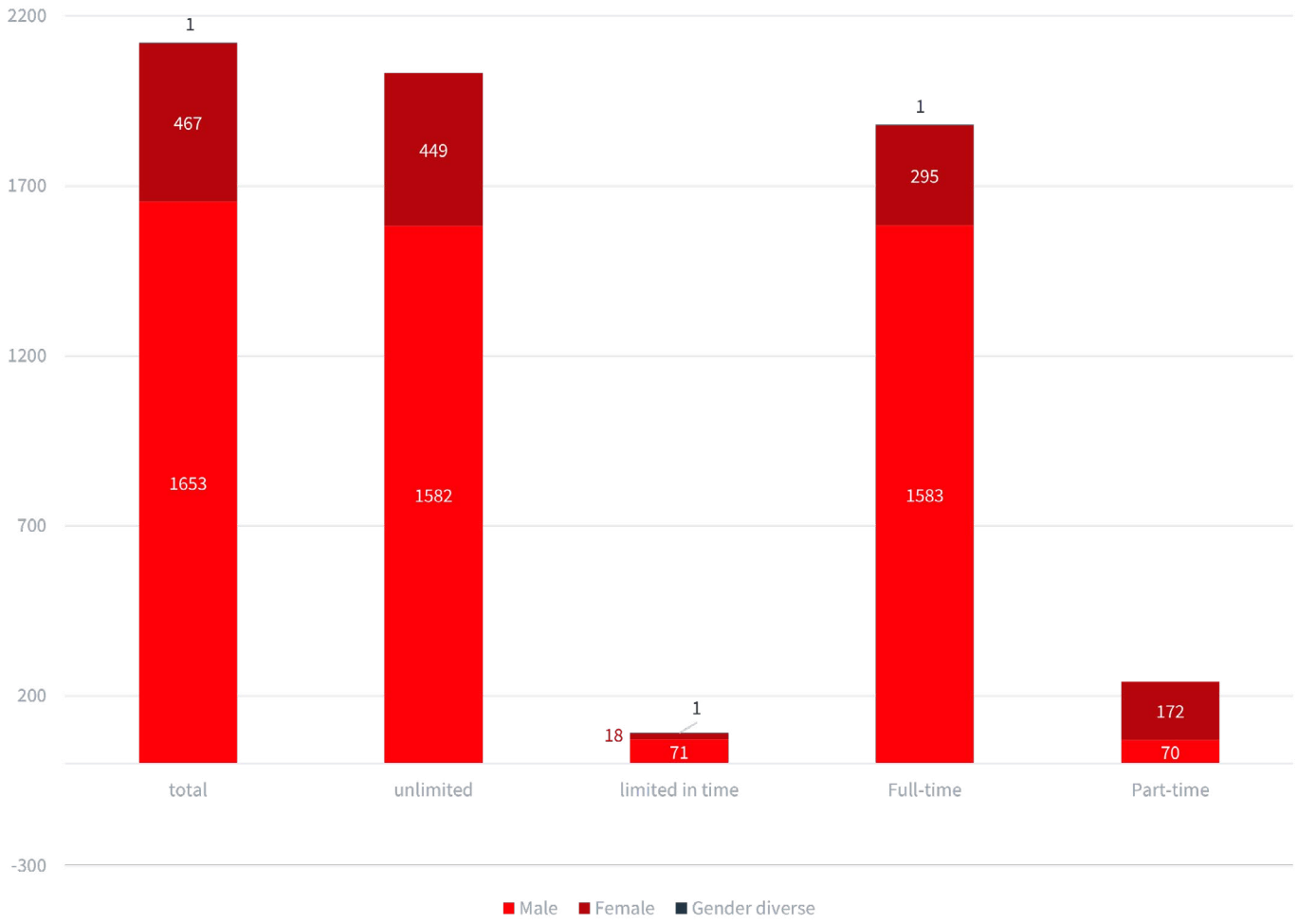

Figure 13: Employees of Bausch+Ströbel SE + Co. KG in 2024 by employment contract type and gender

Table 13 presents a more detailed breakdown of these employees by location, employment status, and gender.

Table 13: Employees of Bausch+Ströbel SE + Co. KG in 2024 by location, employment status, and gender

Permanent employees	Male					Female					Diverse				
	Total	Fixed-term	Permanent	Full-time	Part-time*	Total	Fixed-term	Permanent	Full-time	Part-time*	Total	Fixed-term	Permanent	Full-time	Part-time*
Bausch+Ströbel	1653	1582	71	1583	70	467	449	18	295	172	1	0	1	1	0
Ilshofen	1351	1303	48	1293	57	420	403	17	262	158	1	0	1	1	0
Crailsheim	77	77	0	74	3	13	13	0	9	4	0	0	0	0	0
Neuenstein	106	100	6	101	5	12	12	0	11	1	0	0	0	0	0
Wolpertshausen	69	56	13	68	1	18	17	1	10	8	0	0	0	0	0
Büchen	28	25	3	26	2	2	2	0	1	1	0	0	0	0	0
Not assigned to a specific location	22	21	1	21	2	2	2	0	2	0	0	0	0	0	0

*Part-time employees are included in the total workforce figures

A transparent presentation of new hires and employee turnover enables us to identify trends at an early stage and implement targeted measures to strengthen employee retention and development. Our goal is to maintain a stable and attractive working environment that meets the needs of our workforce. A comparison of total employment and new hire figures with previous years shows that personnel growth has slowed slightly following the strong expansion of recent years.

Table 14: New hires of permanent employees in 2024 by gender, age, and location

New hires	Total			Male			Female			Diverse		
	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years
Total Bausch+Ströbel	57	79	8	39	65	6	18	14	2	0	0	0

Table 15: Departures of permanent employees in 2024 by gender, age group, and location

Departures	Total			Male			Female			Diverse		
	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years
Total Bausch+Ströbel	42	48	19	35	40	18	7	8	1	0	0	0

3.2 Diversity and Gender Equality (GRI 405-1)

Diversity and gender equality are key drivers of innovation and success at Bausch+Ströbel. In the traditionally male-dominated mechanical engineering sector, we are committed to fostering an inclusive working environment where all employees are valued and supported, regardless of gender, origin, or background. Diversity not only strengthens our team culture but also unites different perspectives and skills that enhance our long-term competitiveness.

As shown in Table 16, the Executive Board in 2024 was composed entirely of men. In senior management, the proportion of men also remained significantly higher, at around 90 %.

Table 16: Diversity in supervisory bodies and senior management in 2024

Member of the Executive Board												Senior managers											
Total			Male			Female			Diverse			Total			Male			Female			Diverse		
< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years
0 (0 %)	1 (120 %)	4 (80 %)	0 (0 %)	1 (120 %)	4 (80 %)	0 (0 %)	0 (0 %)	0 (0 %)	0 (0 %)	0 (0 %)	0 (0 %)	13 (5 %)	177 (73 %)	52 (21 %)	12 (5 %)	158 (65 %)	48 (20 %)	1 (0 %)	19 (8 %)	4 (2 %)	0 (0 %)	0 (0 %)	0 (0 %)

Table 17: Diversity of non-managerial employees and trainees

Non-managerial employees												Trainees and students											
Total			Male			Female			Diverse			Total			Male			Female			Diverse		
< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years
579 (30 %)	931 (50 %)	369 (20 %)	431 (23 %)	733 (39 %)	271 (14 %)	147 (8 %)	198 (11 %)	98 (5 %)	1 (0 %)	0 (0 %)	0 (0 %)	183 (100 %)	0 (0 %)	0 (0 %)	150 (82 %)	0 (0 %)	0 (0 %)	33 (18 %)	0 (0 %)	0 (0 %)	0 (0 %)	0 (0 %)	0 (0 %)

As a responsible company, we are committed to equal opportunities and social inclusion for all. This includes the specific integration of people with severe disabilities into our daily working life. We create the necessary conditions for a barrier-free working environment for all employees. In 2024, employees with officially recognized severe disabilities accounted for 4.2 % of our workforce.

// Treating one another with respect, and promoting diversity and gender equality, remain essential to Bausch+Ströbel's long-term success. ///

3.3 Collective Agreements, Remuneration, and Social Dialogue (GRI 2-30 | 202-1 | 404-3)

Bausch+Ströbel introduced a modern remuneration system in 2016. With B+S STEP, we have implemented a transparent compensation framework that defines base salaries in line with current standards in the metal and electrical industry, while also rewarding both individual and collective achievements through the Bausch+Ströbel-specific systems "performance assessment" and "company bonus."

Annual performance and development meetings between employees and managers provide an opportunity to review results and discuss individual growth objectives. In addition to performance-based bonuses, individual development goals are jointly defined and agreed upon.

This remuneration system, which closely follows the applicable collective agreements, ensures that all employees receive a fair and living wage, exceeding statutory minimum wage requirements at all locations.

Table 18: Compensation, Representation, and Living Wage

	Male	Female	Diverse
Share of employees remunerated under the B+S STEP system	100 %	100 %	100 %
Share of employees remunerated at the statutory minimum wage	0 %	0 %	0 %
Share of employees receiving a living wage*	100 %	100 %	100 %
Share of employees represented by employee representatives	100 %	100 %	100 %

* The statutory minimum wage exceeds the living wage in regions where Bausch+Ströbel operates

In addition to the benefits already mentioned, our employees receive cash or non-cash gifts on special occasions and anniversaries. They also have access to a company pension plan.

Employee representation at Bausch+Ströbel is ensured through elected bodies such as the works council, the youth and trainee representatives, and the representatives for employees with disabilities. These groups represent employees' interests to company management through rights of co-determination, information, and consultation. In doing so, they contribute to fair, transparent, and socially responsible working conditions, which at Bausch+Ströbel are defined, among other things, through works agreements. Their responsibilities include participating in personnel, social, and organizational matters as well as monitoring compliance with occupational health and safety regulations.

// A transparent remuneration system, complemented by additional benefits and active employee representation, ensures an attractive and fair working environment. ///

3.4 Occupational Safety and Health Protection (GRI 403-2 | 403-3 | 403-6 | 403-9 | 403-10)

3.4.1 Hazard Identification, Risk Assessment, and Investigation of Incidents and Work-related Injuries

Bausch+Ströbel's occupational safety management system is based on ISO 45001 and ensures the effective implementation of workplace health and safety measures. Trained safety officers are present across various departments and report potential hazards and irregularities directly to responsible managers. In addition, qualified safety specialists act as central points of contact for all safety-related issues.

Regular inspections and safety patrols are key components of our occupational safety management. They help assess the current situation, identify hazards, and determine appropriate measures to prevent workplace accidents and occupational illnesses. The findings are reviewed in regular meetings of the Occupational Safety Committee (ASA), where opportunities for continuous improvement are discussed, actions are defined, and implementation progress is evaluated. Beyond these ASA meetings, employees, managers, and safety specialists work together to discuss and implement potential improvements directly. The effectiveness of each measure is verified after completion.

Employees can report workplace hazards or dangerous situations directly to safety officers or managers, or confidentially to safety specialists and employee representatives. This open culture of communication and error tolerance ensures that critical issues can be raised and addressed transparently. Employees also have the option to report concerns anonymously via the whistleblower system on our website.

In accordance with the Occupational Safety and Health Act and accident insurance regulations, risk assessments are carried out for both specific activities and the use of work equipment and hazardous substances. These assessments help identify potential hazards before work begins. Risks are evaluated using the Nohl model, which considers the severity of potential harm, the likelihood of occurrence, and the frequency or duration of exposure. The assessment of hazardous substances follows the Simple Measures Concept for Hazardous Substances (EMKG) developed by the German Federal Institute for Occupational Safety and Health (BAuA).

Hazards are eliminated or minimized in line with the STOP principle, which prioritizes Substitution, followed by Technical, Organizational, and Personal measures. Substitution and technical measures always take precedence over organizational and personal ones.

Risk assessments are reviewed and updated annually to ensure their accuracy and relevance. They may also be revised on an ad hoc basis, for instance, following an incident or a change in working conditions. The results are communicated to employees through operating instructions, training sessions, and safety briefings.

Despite our concerted safety efforts, workplace accidents involving property damage or minor personal injury cannot always be entirely avoided. Such incidents are reported to managers or directly to safety officers. Under the guidance of the safety officer, and in cooperation with the affected employee and responsible manager, each case is investigated and appropriate risk mitigation measures are defined and implemented. By consistently conducting risk assessments, implementing appropriate measures, and providing ongoing training, we have maintained a very low risk of serious injury. No fatalities or severe accidents occurred during the reporting year. The relevant figures are presented in Table 19, which shows rates calculated per 1,000,000 hours worked and includes all Bausch+Ströbel employees. The most common types of accidents in the reporting year were cuts, bruises, and hand contusions.

Table 19: Work-related incidents involving all persons employed by Bausch+Ströbel in 2024

	Unit	2024	2023
Fatalities	Number	0	0
	Rate	0	0
Serious injuries	Number	0	0
	Rate	0	0
Reportable occupational injuries	Number	55	40
	Rate	7.67*	6.49*

*The rate refers to accidents resulting in absences of three or more days

To ensure an immediate response in the event of an injury, Bausch+Ströbel has trained first aiders and fire safety assistants, as well as a specially trained crisis intervention team.

3.4.2 Occupational Health Services

The occupational health service provides support on a wide range of workplace safety and health protection topics, including risk assessments, workplace inspections, and accident analyses. Employees can also seek advice on ergonomics and general health matters during office hours. Certain activities require medical examinations, such as aptitude tests for operating vehicles and mandatory or voluntary preventive health checks for employees exposed to noise or working at computer workstations. These topics are also covered as part of our annual safety training. In addition, Bausch+Ströbel offers preventive health measures related to infectious diseases and provides employees with flu vaccinations, among other services.

The quality of our occupational health service is ensured through the involvement of an external company physician with the necessary qualifications, supported by regular training and continuing education.

3.4. 3 Employee Health Promotion

The health and well-being of our employees are top priorities at Bausch+Ströbel. Through targeted measures and programs, we promote not only a safe but also a healthy working environment that supports both physical and mental well-being.

In addition to preventive medical examinations and vaccinations provided by our occupational health service, a variety of initiatives within the framework of the "ProKlima" program contribute to promoting employee health. These include company sports groups such as volleyball and running teams, which also regularly take part in competitions. We also offer courses focused on health improvement and resilience, which all employees are welcome to join.

Furthermore, Bausch+Ströbel participates in the "JobRad" initiative, enabling employees to lease bicycles and actively improve their health while commuting to work.

All employees benefit from ergonomic workstations and flexible working models, including flexitime, part-time work, and mobile working options. Overtime can be individually compensated through our flexitime system.

3.4.4 Occupational Illnesses

Since the health of our employees is of central importance, we offer medical examinations by the company physician in cases of suspected occupational illness. If a concrete suspicion arises, employees are referred to specialized medical professionals for further evaluation. When an occupational illness is confirmed, the case is reported to the Employers' Liability Insurance Association, which reviews and assesses the claim. If the assessment confirms a work-related cause, the association provides guidance, and appropriate measures are implemented to improve the working environment.

In the past year, a total of eight cases were investigated, three of which were confirmed. The majority of these involved work-related, noise-induced hearing loss.

Table 20: Occupational illnesses of all Bausch+Ströbel employees in 2024

	Unit	2024
Reported cases of occupational illnesses	Number	8
Acknowledged cases of occupational illnesses	Number	3
	Rate	0.89

// By ensuring safety and health in the workplace, we contribute significantly to the well-being of our employees and the long-term success of the company. ///

3.5 Training and Education (GRI 401-1)

The success of our company is closely tied to our employees. For this reason, Bausch+Ströbel has always placed great importance on training and continuing education. Several years ago, we established a modern training center to create the ideal conditions for young, motivated career starters. This facility enables us to provide the skilled workers of tomorrow with excellent qualifications in 17 different apprenticeship professions. In addition to dual study programs, we offer training in both commercial and technical fields. We also give young people valuable insights into our day-to-day operations through internships, support for final theses, and working student opportunities.

Table 21: Training at Bausch+Ströbel in 2024

	2024	2023
Apprenticed occupations	17	17
Apprentices	183	173
Retention rate after successful training	89 %	91 %
Hours of training per employee	15.5	Not applicable

However, this is not the only area in which we invest in training and education. All employees have access to internal continuing education programs and may also attend external training courses relevant to their roles, ensuring that our workforce is well prepared to meet future challenges. On average, employees completed 15.5 hours of training over the past year.

3.6 Social Commitment

Bausch+Ströbel regards social engagement as a central pillar of its corporate responsibility and actively strives to make a lasting, positive impact on the communities in which it operates. In line with this commitment, the company supported a variety of organizations in 2024.

These included sponsorship of the German second-division basketball team HAKRO Merlins and the BWK Arena Cup youth soccer tournament, both held at the nearby Arena Hohenlohe.

In addition, Bausch+Ströbel actively supports the local sports club TSV Ilshofen through ongoing financial contributions. Along with regular sponsorships in the high five-figure range and participation in the local city run, the company was a key financial contributor to the construction of the FAI-Heim (Ilshofen Soccer Academy), which was inaugurated last year.

Further initiatives received financial assistance as well, including the city run in Neuenstein and the theater group in Braunsbach. Schools and community groups also shared in the benefits - for example, the elementary school in Wolpertshausen, where a Fruit Day was organized to encourage children to make healthier food choices.

We also supported a number of local institutions by donating promotional materials for raffles and placing ads in commemorative publications and school magazines.

Bausch+Ströbel actively supports volunteers from the Red Cross, THW, and the fire department who work at the company. For us, it goes without saying that employees are granted time off during working hours for emergency response and training. This commitment even extends to providing reserved parking spaces for members of the local fire department and Red Cross.

3.7 Our Supply Chain (GRI 204 I 308 I 414)

Even as a company with a global footprint, Bausch+Ströbel remains firmly rooted in its home region and prioritizes long-term partnerships with regional suppliers wherever possible. Last year, suppliers within a 250 km radius accounted for 50 % of annual sales, while those within 50 km contributed just under 17 % (see Figure 14).

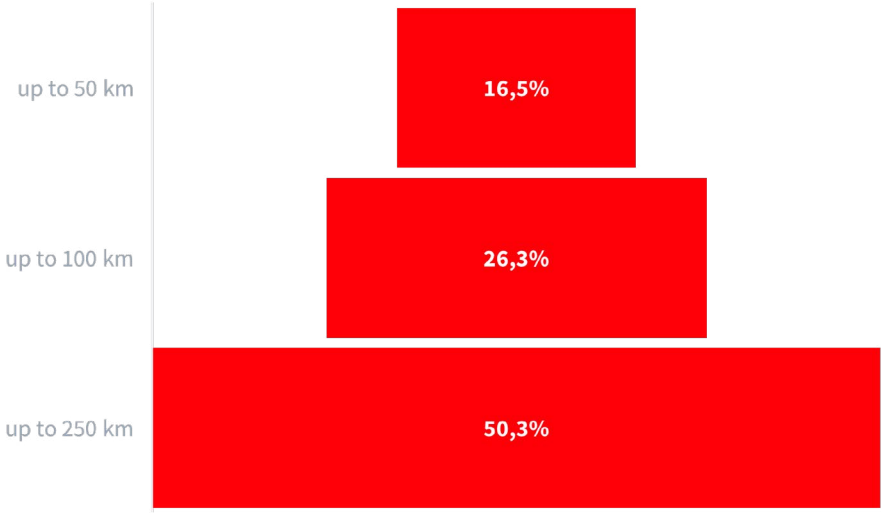

Figure 14: Sales revenues from regional suppliers in 2024

We collaborate with suppliers and service providers from a total of 38 countries worldwide. As shown in Figure 15, suppliers from Germany (80 %), Switzerland (11 %), and Austria (6 %) accounted for the largest share of annual sales in 2024.

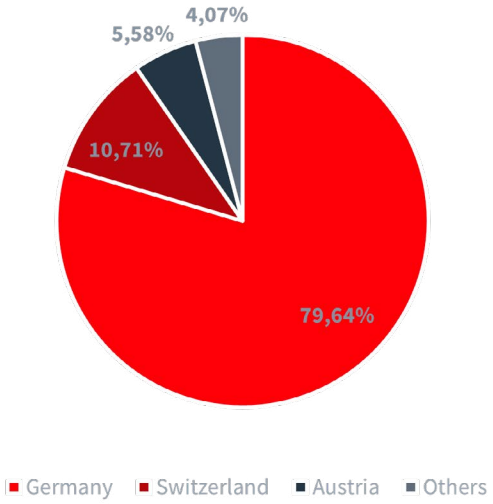

Figure 15: Annual sales revenues from suppliers by country

The increasing globalization of procurement markets helps reduce overall business risk by lessening our dependence on individual suppliers, regions, or countries. At the same time, it brings with it a responsibility to ensure that all suppliers comply with ethical, human rights, and environmental standards throughout the supply chain. Bausch+Ströbel has committed to fulfilling these due diligence obligations, as set out in its policy statement .

Through our terms of delivery and our code of conduct, we require suppliers to comply with ethical, human rights, and environmental standards before entering into any business relationship. Employees in Purchasing receive regular training in responsible supply chain management, based on internal process descriptions and procedural guidelines. This ensures that our standards for environmental protection, respect for human rights, and responsible business practices are upheld from the outset of supplier selection and qualification.

Table 22: Training in sustainable procurement and supplier qualification

	2024	2023
Employees in Purchasing trained to meet due diligence obligations in the supply chain	100 %	100 %
Qualified new suppliers who have agreed to our Terms of Delivery and Code of Conduct*	100 %	100 %
New suppliers with contracts containing clauses on human rights and environmental protection*	100 %	100 %

*Agreement is a prerequisite for the qualification of new suppliers and for supply contracts

We conduct ongoing risk analyses of existing suppliers and service providers. To determine the risk situation, potential risks are first assessed using country- and industry-specific framework data. Suppliers identified as posing an increased risk through this analysis are initially asked to provide detailed information about their business practices and risk management. If an elevated level risk is ascertained during the subsequent, more specific assessment, concrete remedial measures are agreed upon, scheduled, and closely monitored. Throughout this process, we prioritize close and supportive cooperation with our suppliers. Terminating a business relationship due to identified risks is considered a last resort at Bausch+Ströbel and, fortunately, has not been necessary to date.

Table 23: Supplier risk assessment

	Environment	Labor and human rights	Ethics
Very high	1	4	5
High	2	3	15
Medium high	229	453	341
Medium low	1405	1568	1853
Low	866	672	672
Very low	739	542	130
Total number of suppliers fully assessed*	3,242 (98 %)	3,242 (98 %)	3,016 (91 %)

* Not all assessments had been fully completed at the time of reporting.

In the 2024 reporting year, all suppliers with whom revenue was generated during the fiscal year and the previous year were assessed. Of the 3,300 risk assessments conducted, 30 suppliers were initially identified as having a high or very high risk in the areas of environmental protection, human rights, or ethics. However, detailed follow-up reviews and consultations did not confirm these risks, so no corrective measures were required.

Table 24: Confirmed supplier risks and measures taken

	Environment	Labor and human rights	Ethics
Suppliers for whom the identified risk was confirmed after a more detailed investigation	0	0	0
Suppliers with whom corrective action was agreed	0	0	0
Business relationships terminated due to persistently high risks	0	0	0

4. Governance (Compliance)

As we continue to grow and expand into new markets and countries, expectations regarding our business conduct and our interactions with partners and employees have evolved accordingly. In addition, national and international legal requirements are continually changing. Our objective is to ensure compliance with the laws and regulations in the countries where we conduct business by establishing consistent standards across all our locations.

4.1 Human Rights (GRI 408-1 I 409-1)

Bausch+Ströbel takes a proactive approach to preventing and addressing human rights violations, whether they occur within its own operations or within those of its business partners. This commitment is enshrined in the company's policy statement, its Code of Conduct, its Supplier Code of Conduct and in its Corporate Policy on Human Rights:

+ We respect human dignity. We do not tolerate discrimination or harassment in any form. We place strong emphasis on the international character of our company and workforce. We stand firmly against all forms of discrimination based on gender, race, skin color, religion or belief, political opinion, sexual identity, ethnic origin, age, or disability.
+ No one may be forced to work through coercion and/or unlawful means. This also includes both open and indirect threats.
+ We do not tolerate child labor or any other exploitation of children and young people.
+ Bausch+Ströbel strictly prohibits the use of forced labor or involvement in any form of human trafficking – within its own operations, among its business partners, and throughout its supply chain.

To uphold these principles, we continuously assess the risk of human rights violations within our own operations and among our suppliers. Any identified risks are investigated in detail, and appropriate measures are taken to prevent such violations (see also Section 3.2).

Table 25: Assessment of human rights risks

	Number
Operating sites where a high risk of child labor has been identified	0
Confirmed cases of child labor at operating sites	0
Suppliers identified as having an elevated risk of child labor	1
Suppliers with confirmed cases of child labor	0
Operating sites where a high risk of forced labor has been identified	0
Confirmed cases of forced labor at operating sites	0
Suppliers identified as having an elevated risk of forced labor	1
Suppliers with confirmed cases of forced labor	0

4.2 Combating Corruption and Bribery (GRI 205-1 I 205-2 I 205-3)

Bribery and corruption of any kind go completely against the values and ethical standards of Bausch+Ströbel. We categorically reject all forms of corruption and unlawful conduct and will not tolerate such behavior under any circumstances. Bausch+Ströbel expects all employees and business partners to refrain from any form of corrupt practice, regardless of where they conduct their business activities. This expectation is explicitly anchored in our Code of Conduct, Supplier Code of Conduct, and our Corporate Policy on Combating Corruption and Bribery.

Our ongoing risk assessments within our own operations and among our suppliers also address the risk of corruption. Identified risks are analyzed in detail, and all necessary measures are implemented to prevent potential human rights violations (see also Section 3.7).

Table 26: Assessment of corruption risk

	Number
Operating sites where a high risk of corruption has been identified	0
Confirmed cases of corruption at operating sites	0
Suppliers identified as having an elevated risk of corruption	9
Suppliers for whom the identified risk was confirmed after a more detailed investigation	0

4.3 Fair Competition (GRI 206)

Bausch+Ströbel sets itself apart from the competition through its consistent commitment to outstanding quality, innovation, and customer focus. We are unreservedly committed to fair competition and will not tolerate any violations of this principle under any circumstances. Compliance with antitrust laws is a given for us and forms an integral part of our corporate philosophy. We therefore expect all employees and business partners to fully adhere to our Code of Conduct and Supplier Code of Conduct, as well as to all applicable national and international antitrust laws and standards.

The ongoing assessment of potential competition law violations extends to our own operations as well as to our suppliers. Identified risks are analyzed in detail, and all necessary measures are implemented to prevent potential human rights violations (see also Section 3.7).

Table 27: Assessment of the risk of anti-competitive practices

	Number
Operating sites where a high risk of anti-competitive practices has been identified	0
Confirmed cases of anti-competitive practices at operating sites	0
Suppliers identified as having an elevated risk of anti-competitive practices	0
Suppliers for whom the identified risk was confirmed after a more detailed investigation	0

4.4 Grievance Mechanism (GRI 2-26)

An effective grievance mechanism is a key component of our due diligence process, enabling us to identify, prevent, and address potential violations and adverse impacts within our operations and across our supply chain. Through our whistleblower system, we have established a secure and confidential platform that enables our employees, those of our direct and indirect suppliers, and other affected individuals to report any breaches of duty arising from our business activities. The platform provides a secure and confidential channel for reporting potential violations of human rights or environmental standards. Reports may be submitted anonymously, and whistleblowers are protected from any form of discrimination or retaliation. The effectiveness of the whistleblower procedure is reviewed annually and whenever necessary.

Table 28: Reports received through the Bausch+Ströbel whistleblower system during the reporting year

	Reports received	Confirmed cases
Child labor	0	0
Forced labor	0	0
Corruption	0	0
Anti-competitive practices	0	0
Other	3	0

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