



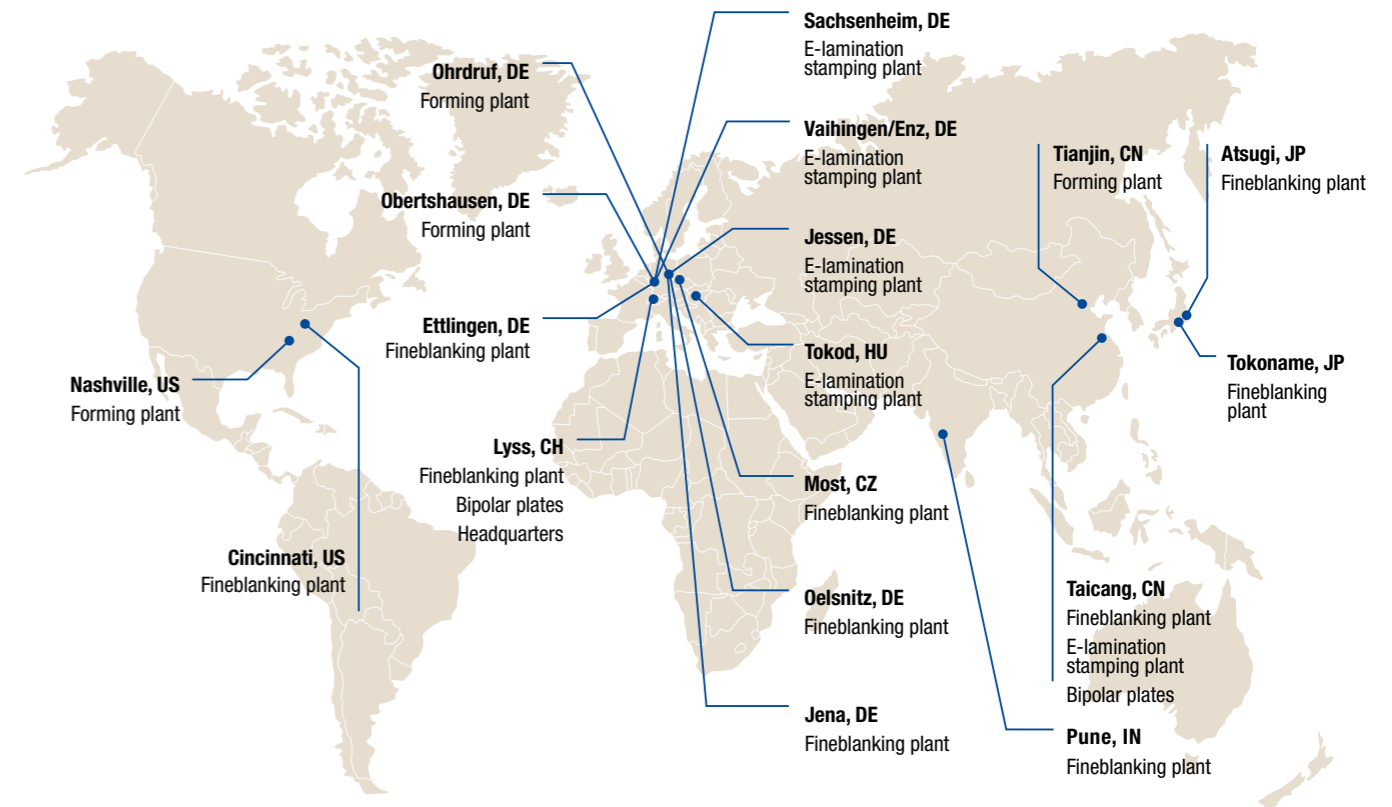
SUSTAINABILITY REPORT 2024

Our expertise creates sustainable success

Feintool is a globally leading technology company specializing in electrolamination stamping, fineblanking, and forming. These core technologies enable the company's large-scale production operations for manufacturing high-quality precision steel parts. We provide solutions for the automotive industry, the energy sector, and suppliers of demanding industrial applications. Our products and services play a key role in supporting mega-trends by contributing to the generation, storage, and utilization of green energy.

We set ourselves apart through economic efficiency, high productivity, and exceptional quality. As a technological leader, Feintool continuously advances manufacturing by developing not only precision steel components, but also innovative tools and custom manufacturing processes tailored to customers' needs.

Established in 1959 and headquartered in Lyss, Switzerland, the company employs approximately 3 200 people and 85 apprentices across 18 production sites in Europe, the US, China, Japan, and India. Feintool is majority-owned by the Artemis Group and listed on the SIX Swiss Exchange.



18
locations

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REPORTING PRINCIPLES

Feintool has published non-financial information related to ESG (environmental, social, governance) in a dedicated Sustainability Report every year since 2019. The group of consolidated companies covered in this report reflects that of the Annual Report 2024. Unless otherwise stated, all information and key figures pertain to the Feintool Group as a whole for the period from January 1, 2024, to December 31, 2024.

The Swiss Code of Obligations serves as the authoritative framework for Feintool's 2024 Sustainability Report (see Index, p. 42). In addition, the content and structure of this report align with the European Union's Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS). The report also adheres to the latest version of the Global Reporting Initiative (GRI 2021, see Index, pp. 40/41).

The content of the Sustainability Report is based on Feintool's double materiality assessment conducted in the summer of 2024 in accordance with ESRS requirements. This assessment considered the impact of business activities on people and the environment, risks to and opportunities for the Group, and the effects of practices across the upstream and downstream value chains. The Swiss Code of Obligations governs the related due diligence obligations, which Feintool meets in full.

The Group's ESG activities contribute to mitigating global warming in line with Swiss climate strategy regulations. Feintool also supports the United Nations' Sustainable Development Goals (SDGs), with a focus on four key areas: clean energy, decent work, innovation, and responsible consumption. Each topic is addressed in its corresponding sections.

“OUR BUSINESS MODEL IS SUSTAINABLE”



Feintool is one of the world's largest suppliers of components for electric vehicle main drives in the automotive industry, as well as for industrial sectors such as wind and hydroelectric power plants, (heat) pumps, and medical technology. We are also a market leader in hydrogen technology in Europe and Asia, producing bipolar plates and interconnects for fuel cells and electrolyzers for hydrogen production. Our investments and high-quality solutions for low-carbon energy generation, storage, and mobility make a significant contribution to achieving global climate targets. This renders our business model inherently sustainable. Market forecasts confirm our strategic alignment with future demand, which we serve through our core technologies: fineblanking, forming, FEINforming, electrolamination stamping, and comprehensive service.

As a Swiss corporate group, we support global climate targets and national regulations aimed at reducing greenhouse gas emissions by 2050. We take our due diligence obligations toward people and the environment seriously. In the reporting year, we appointed a Sustainability Manager to strengthen our Group-wide sustainability management program.

The market environment in Europe in 2024 proved challenging (see Annual Report 2024). Stagnant automotive sales, a weak economy, and political factors impacted business operations. Nevertheless, despite – or perhaps because of – these market strains, we remain committed to our sustainability focus. We continuously monitor our sustainability projects and measures, reassessing their relevance as needed. Last year, this approach led us to postpone both the introduction of an ESG remuneration component for top management and the planned increase in the Group's proportion of green electricity.

As an employer, we take our employees' interests very seriously, particularly in the context of the restructuring in Europe, which involves position reductions and realignments. We are maintaining a dialogue with social partners to seek sustainable, long-term solutions. In doing so, we will continue to promote targeted talent development, an attractive and healthy working environment, and a leadership culture that combines leadership with a strong sense of responsibility.

Torsten Greiner
CEO



GOVERNANCE

As a global technology company, Feintool takes its due diligence obligations and responsibilities toward employees, customers, business partners, and society as a whole very seriously. This commitment is reflected in the environmental and social sustainability practices that have long been integral to Feintool's corporate governance, Group-wide strategy, and management system.

STRENGTHENED ESG GOVERNANCE

Feintool analyses its steel supply chain

We align our business activities with global sustainable development goals and national targets for reducing global warming, in accordance with the United Nations. In 2023, the Board of Directors (BoD) adapted Feintool Group's corporate governance policies accordingly. Sustainability principles will now be integrated into management processes and strategic decisions as part of this change.

The BoD holds ultimate responsibility for sustainability activities and has assigned oversight of related tasks to Dr. Marcus Bollig, Managing Director of the German Association of the Automotive Industry (VDA, see Annual Report 2024, pp. 92, 97). The Board also approves the sustainability goals and the Sustainability Report, which has been published annually in accordance with the Global Reporting Initiative (GRI) alongside the Annual Report since 2019. Since the 2023 financial year, the European Sustainability Reporting Standards (ESRS) have also served as a foundation for the Sustainability Report. However, there was no ESRS reporting obligation in the 2024 financial year.

The Chief Executive Officer (CEO) is responsible for the operational implementation of ESG activities and has delegated this task to the Chief Financial Officer (CFO). The planned introduction of an ESG remuneration component for top management in 2024 was postponed.

In 2024, Feintool created and filled the position of Sustainability Manager to address growing regulatory requirements, particularly related to climate reporting and due diligence obligations for Swiss companies. The Sustainability Manager, who reports directly to the CFO, serves a dual role. Internally, she acts as the link between the Executive Board and the Board of Directors, as well as between the Executive Board and the business units with their respective sites. Externally, she is the point of contact for all ESG matters. The Executive Board informs the BoD about ESG-related developments periodically (at least annually), and a corresponding report was published in 2024.

In terms of risk management, Feintool focused on the environmental and social impacts of business activities within the supply chain. The company also fulfilled all due diligence obligations related to conflict minerals and human rights as required by the Swiss Code of Obligations (see pp. 36-41). Steel procurement plays by far the greatest role in both the upstream and downstream supply chains. As such, our risk assessment centered on this raw material.

Customer data privacy and the security of the Group and its supply chains against cyberattacks are also of major importance to corporate governance (see Employee data privacy, p. 28). As planned, the Chief Information Security Officer (CISO) transferred control tasks to an external service provider in 2024. This service provider now reports to Feintool's CEO. Operational responsibility for information security and data privacy remains with the CIO. As a supplier, Feintool is TISAX certified to support these objectives. TISAX, short for Trusted Information Security Assessment Exchange, is a recognized certification for secure digital data transfer in the automotive industry. To enhance cybersecurity, Feintool operates an AI-supported, 24/7 monitoring system via an external security operations center (SOC).



STRATEGY

The global demand for technologies and products related to the generation, storage, and use of renewable energy is rising. For several years, we have been aligning our product portfolio with these markets while continuing to support our legacy products. This approach ensures the company's profitability and advances progress toward a low-carbon economy.

FUTURE-PROOF PRECISION MANUFACTURING

Feintool advances the corporate strategy

Various global transformations shape our strategic alignment. Climate change and its consequences are key drivers of our innovations in high-end, high-volume parts for the automotive industry, industrial applications, and renewable energies. These factors, in particular, guide our trajectory in product development, market presence, and operational sustainability.

Growth forecasts in all markets served by Feintool confirm that the company has set its strategic priorities intelligently. By 2030, we plan to further increase the revenue share of climate-friendly and future-oriented products from the current proportion of more than 50 percent. At the same time, the decline in business related to internal combustion engines helps safeguard profitability. This balanced strategy allows Feintool to respond flexibly to market changes and ensure long-term competitiveness.

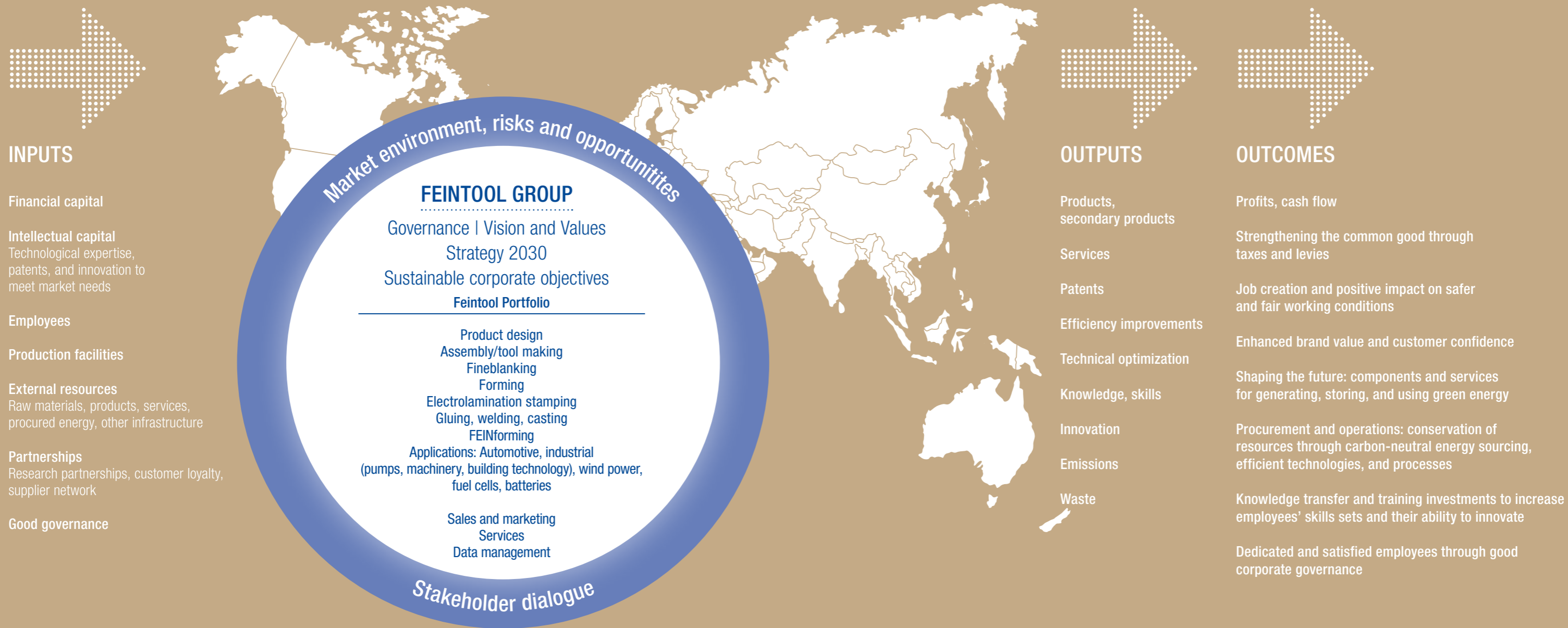
Specifically, we are making targeted investments in our core technologies of fineblanking, forming, FEINforming, and electro-lamination stamping. With these technologies, we have established our position as one of the largest suppliers of components for main drives in electric vehicles and internal combustion engines. We also supply components to wind and hydroelectric power plants as well as to industrial operations producing heat pumps, ventilation systems, and medical technology. Feintool's investment in hydrogen technology recently secured a significant success, with orders for bipolar plates for use in fuel cells marking our market entry in Asia and Europe.

With the construction of a new location in India underway, the Group's presence on three continents is set to expand. Proximity to the customer is a core strength that differentiates us from the competition, along with our technological edge. Feintool is the only full-service provider covering the entire process from engineering and design to prototype construction, tooling, and series production. Comprehensive services and close collaboration with customers strengthen our competitive position and underscore Feintool's role as a technological leader.

Digitalization, climate change, and its consequences open up new opportunities for Feintool in sustainably growing markets. With global automotive production increasingly shifting toward Asia, Feintool is well-positioned to capitalize on the rapid growth of electromobility in China. The associated risk, however, lies in slow market acceptance of Feintool products (see impacts, risks, and opportunities, pp. 14/15). The ongoing transformation of markets and geopolitical developments further intensify global competition for raw materials used in batteries and electric motors. Potential impacts of global warming include extreme weather events and health risks for employees due to heat waves. As such, mitigating and adapting to climate change present opportunities for Feintool to reduce carbon emissions, enhance the resilience of the company and its supply chains, facilitate access to capital, and improve reputation. However, enhancing infrastructure and introducing more efficient production processes involve additional costs.

In 2024, Feintool began a comprehensive assessment of all processes and corporate functions. The "Level-up 2026!" program is a global growth and efficiency initiative comprising 12 optimization initiatives. Its objectives are to reduce costs, increase profitability, and strengthen resilience. The Group's ESG targets related to the environment, employees, innovation, and governance are presented on pages 16/17.

PRECISION TECHNOLOGY: POWER FOR ELECTRIC DRIVES



Feintool masters the fineblanking process and employs key technologies such as cold forming and electrolamination stamping to develop and produce high-precision sheet metal solutions for the mobility of tomorrow and demanding industrial applications. In 2024, Feintool once again invested in research and development, driving innovations that will benefit many.

HIGHLIGHTS

99 %
recycling rate

- 1900 MWh
annual energy savings through measures

>50 %
revenue share of climate-
friendly applications

35 %
share of electricity
from renewable sources

- 1200t CO₂e
annual reduction in carbon emissions
through measures

TAKEHOLDERS' INTERESTS

Stakeholder	Requirements/expectations	Communication channel	Frequency	Responsibility
Shareholders	High dividends, rising market value, good image, legal compliance	- Investor relations: - General Assembly - Annual Report - Roadshow - Guided plant tours - Media relations - Public relations - Digital communications	- annual - annual - biannual - ongoing - ongoing - ongoing - ongoing	- FIH
Customers	Qualitative, innovative just-in-time products and services at a price in line with the market, good image in the community, legal compliance, Code of Conduct Sustainability strategy/targets and evidence of implemented standards, training and key figures in the context of human rights, occupational health and safety, environmental protection, and ethics – internally as well as on supplier side.	- Key account management - Exhibitions/events/conventions - Media relations - Public relations - Digital communications - Sustainability platforms such as SAQ, Ecovadis, customer-specific questionnaires	- ongoing - per activity plan - ongoing - ongoing - ongoing - situational, sometimes annual	- per segment and region - FIH - FIH - FIH - FIH - usually site-related or per company
Partners/Suppliers	Reliable partnership, continuity, prices in line with the market, good image, legal compliance	- Supplier visits and evaluations - Exhibitions	- ongoing - ongoing	- per company and - across the Group
Employees	Nondiscriminatory, secure workplace with a positive working atmosphere and commitment to sustainability and future viability, market-based remuneration, opportunities for development, legal compliance	- Employee magazine - Notice board - Intranet - Management and employee events - Employee campaigns - Performance review	- biannual - ongoing - ongoing - biannual - according to demand - annually	- FIH - per company - per company - per company - per company/FIH - the respective supervisors
Legislator/Authorities	Legal compliance, attractive tax payer, creating jobs	- Applications/approvals - Reporting	- according to demand - according to demand	- per company/FIH - per company
Neighbors (residents, neighboring companies)	No interference (such as traffic, emissions, landscape), open culture of discussion, cooperation, legal compliance	- Media relations (local media) - Digital communications - Personal contacts	- according to demand - ongoing - according to demand	- per company - FIH - per company
Society	Attractive employer and trainer in the region, good image, sustainability, legal compliance	- Media relations (local media) - Events (e.g., plant tours, open houses) - Public relations (e.g., membership of local chamber of industry and commerce) - Digital communications	- according to demand - according to demand - according to demand ongoing	- per company - per company - per company/FIH per company
Associations	Adherence to obligations	- Events - Digital communications	- according to demand - ongoing	- per company - FIH

* FIH: Feintool International Holding AG

MATERIAL REPORTING TOPICS

In 2024, Feintool updated its 2019 materiality assessment to reflect the concept of double materiality, identifying and evaluating key sustainability-related impacts, risks, and opportunities (IRO; see pp. 14/15). The updated assessment identified 11 material topics, down slightly from the original 13.

On behalf of the Board of Directors (BoD), Feintool's top management identified the material reporting topics through a multi-stage process. Coordinated by the Group Sustainability Manager, this process culminated in a final review by the BoD, which approved the double materiality definition at the end of 2024.

Following an exclusion process, Feintool identified focus areas and topics for short-, medium-, and long-term planning (1-3 years, 3-10 years, and 10-15 years, respectively). This timeline considered both upstream and downstream supply chains (see pp. 34-38). In terms of stakeholders, employees in Europe and Asia were consulted, with plans to expand this scope further in the 2025 reporting year. The initial assessment also reflected customer input gathered through calls for proposals and regular discussions with Feintool's key account management.

To further define double materiality, key impacts, risks, and opportunities were rated on a scale of 1 to 5 (1 = very low relevance, 5 = very high relevance), with 3.5 as the threshold for materiality. Metrics for assessing key impacts on business activities included scope, irreversibility, and probability of occurrence. Opportunities were evaluated based on scope and probability, while risks followed the same criteria, with additional emphasis on climate-related risks. A location index was also factored into the overall rating, considering the number of Feintool locations affected by a topic in the 2024 financial year. To assess climate-related risks in terms of biodiversity and water scarcity, Feintool consulted the WWF (World Wide Fund for Nature) Biodiversity Risk Filter. Neither topic was deemed material for the Feintool Group. Despite not meeting the materiality threshold, customer data protection and information security remain high priorities for the Feintool technology group and are included in this report accordingly.

Climate change

- ▶ Climate change adaptation
- ▶ Climate change mitigation
- ▶ Energy efficiency

Resource use and circular economy

- ▶ Resource inflows including resource use
- ▶ Resource outflows (production)

Own workforce

- ▶ Adequate working conditions (working time, adequate wages)
- ▶ Health and safety
- ▶ Data privacy

Business conduct

- ▶ Corporate culture (including anti-corruption)
- ▶ Management of supplier relationships

ESRS E1: Climate change			
	Impacts	Risks	Opportunities
CLIMATE CHANGE ADAPTATION	New business processes resulting from operational adjustments and/or supplier improvements	Disruption of production due to extreme weather events (physical risks)	Enhanced resilience through optimized and efficient processes
		Supply chain interruptions due to climate change (physical risks)	Enhanced resilience through secure supply chains
	Reduction of CO ₂ emissions through new product solutions	Marketability risks (transition risks)	Access to new markets by adapting the product portfolio
		Rising costs for infrastructure measures, insurance premiums, and stricter regulatory requirements (transition risks)	Compliance and creditworthiness
	Health risks for employees due to heat waves (transition risk)	Securing productivity	
CLIMATE CHANGE MITIGATION	Reduction of greenhouse gas emissions in production (primarily from steel processing) and fleet vehicles	Physical risks (see above)	Increased competitiveness through resilience
		Rising costs due to investments in renewable energy and regulatory requirements (e.g., CO ₂ pricing)	Cost savings through improved energy efficiency and the use of public funding
		Loss of reputation (transition risk)	Compliance (see Paris Agreement climate goals)
ENERGY EFFICIENCY	Improved energy efficiency in internal operations	Rising energy costs	Cost savings through long-term investment in renewable energies; electricity sales from own production
	Increase in the share of new solutions and products that enhance energy efficiency	Lack of market acceptance (transition risk)	Access to new markets

ESRS E5: Resource use and circular economy

	Impacts	Risks	Opportunities
RESOURCE INFLOWS INCL. RESOURCE USE	Consumption of natural resources in internal operations and indirectly in the supply chain	Increased procurement costs due to raw material shortages and market volatility	Cost savings through efficient use of resources
		Disruption of business activities due to supply chain bottlenecks	Enhanced supply chain security and cost savings through new procurement sources
	Degradation of ecosystems	Sanctions for regulatory violations	Cost savings by increasing the share of recycled materials
		Loss of reputation	Strengthened corporate image
RESOURCE OUTFLOWS (PRODUCTION)	Environmental impact from waste	Increased waste disposal costs	Increased profitability through optimized production processes (recycling, circular economy)
		Sanctions for regulatory violations	New business opportunities (waste as a source of raw materials and revenue)
		Loss of reputation	Strengthened corporate image

Additionally reported but not identified as a material topic: Protection of customer data and cybersecurity.

ESRS S1: Own workforce			
	Impacts	Risks	Opportunities
ADEQUATE WORKING CONDITIONS: WORKING TIME, ADEQUATE WAGES	Transparent working time policies in accordance with national labor law (compliance)	Employees overworked or experiencing impaired health	Increased satisfaction and motivation through flexible working time policies
		Employees' dissatisfaction and lack of motivation	Increased satisfaction and motivation through fair compensation
	Transparent, nondiscriminatory wage and remuneration policy	Costs due to labor law violations	Cost avoidance (compliance)
		Increased recruitment costs due to higher turnover	Cost avoidance
	Productivity losses due to reduced employee satisfaction	Retention of qualified employees to boost productivity	
	Position in the labor market	Loss of reputation (reduced attractiveness as an employer, exacerbation of the skilled labor shortage)	Increased competitiveness in the labor market (employer branding)
HEALTH AND SAFETY	Workplace safety ensured through established standards	Costs and production losses due to work-related accidents	Cost reduction through investment in occupational health and safety
	Prevention of physical and mental health issues	Costs and production losses due to increased sick leave	Maintaining or increasing productivity through a healthy working environment
		Costs due to safety violations	Cost avoidance (compliance)
	Loss of reputation	Strengthened corporate image	
DATA PRIVACY FOR OWN WORKFORCE	Protection of employees' personal data collected, stored, and processed by Feintool	Violation of employees' privacy	Increased employee trust and loyalty
		Labor lawsuits and sanctions (costs)	Cost avoidance (compliance)
	Transparent and efficient processes	Costs	Optimized processes as competitive advantage
	Potential breach of data privacy rights	Potential operational disruptions due to data privacy violations	Cost avoidance (compliance)
Loss of reputation		Strengthened corporate image	

ESRS G1: Business conduct

	Impacts	Risks	Opportunities
CORPORATE CULTURE INCL. ANTI-CORRUPTION	Proven corporate culture of trust	Employees' loss of motivation and trust in the company	Established processes and transparency to foster a culture of openness
	Potential reduction in productivity	Increased turnover and reduced productivity (costs)	Improved productivity through increased satisfaction
		Poor reputation as an employer	Strong employer brand to support employee retention
	Enhanced resilience and compliance through control mechanisms	Litigation (costs)	Avoidance of litigation (costs)
Financial losses due to corruption		Avoidance of financial loss due to corruption	
Enhanced customer trust	Reputational damage with customers	Strengthened customer relationships	
MANAGEMENT OF SUPPLIER RELATIONSHIPS	Fair and effective supplier relationships	Lack of cooperation during supply chain bottlenecks	Reliable collaboration to strengthen resilience
	Mitigation of ESG risks in the supply chain through constructive collaboration	Loss of price advantages due to poor payment practices	Enhanced negotiating position
		Reputational risks	Optimization of internal payment processes
		Enhanced customer trust in production	

SUSTAINABILITY GOALS

ESG (environmental, social, governance) management requirements within the company are increasing in response to global climate targets and evolving regulatory obligations. Since 2021, Feintool has been setting sustainability goals in

four key areas (see below). Several of these goals have already been achieved, including those related to the FEINtalent global development program and the strengthening of governance structures.

<p>Environment 50 % reduction in carbon emissions (Scope 1 and 2) ISO 14001 certification of all Feintool sites</p>	<p>by 2030 2026</p>
<p>Employees Building a talent pool (FEINtalent program implemented in 2023) Implementation of a new management development program ISO 45001 certification of all Feintool sites</p>	<p>continuous by 2025 by 2028</p>
<p>Innovation Increase the revenue share of carbon-friendly applications to 70 %</p>	<p>by 2028</p>
<p>Governance Bolstering ESG governance with dedicated personnel Introduction of an ESG component in management remuneration</p>	<p>2024 ✓ by 2028</p>

Feintool had previously set a climate target for Scopes 1 and 2. In 2024, the Group achieved a 17 percent reduction in carbon emissions compared to the base year of 2019. The analysis of greenhouse gas emissions throughout the supply chains, particularly related to steel, is still ongoing. With the exception of one site in Germany, all Feintool locations are certified according to the international ISO 14001 standard. The remaining certification is scheduled for early 2026.

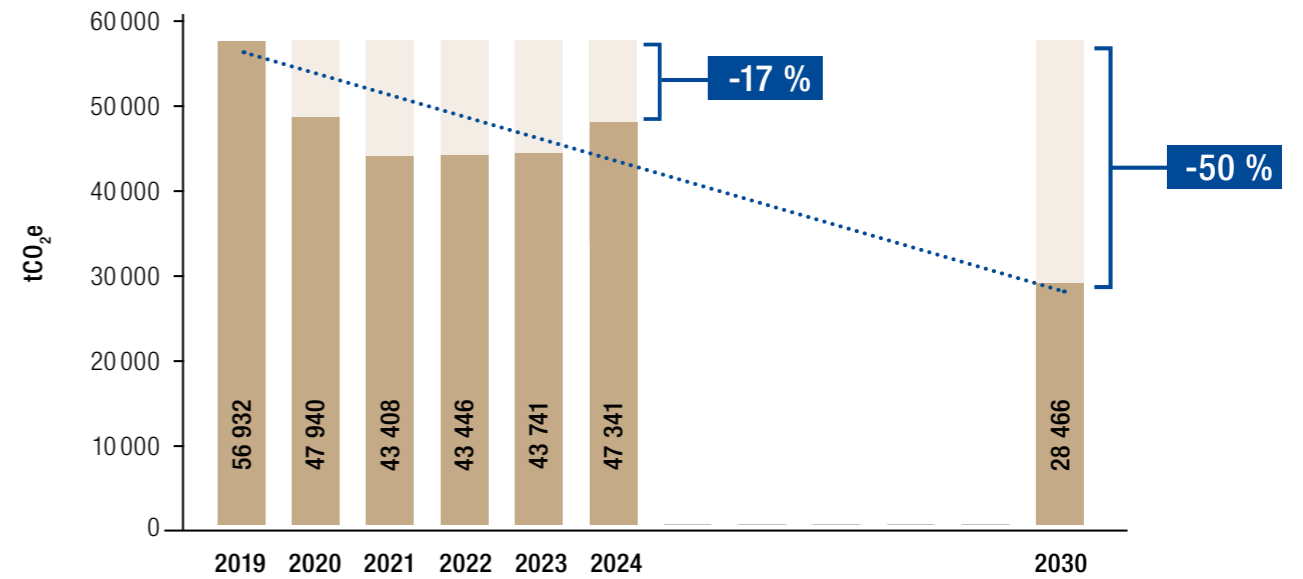
As planned, Feintool developed a new leadership development program in 2024, which will be implemented throughout the Group in 2025. The FEINtalent talent management program, launched in 2023, has since established the foundations for a talent pool. In 2024, several graduates from the first cohort were trained as mentors for the next generation, whose training will commence in 2025. The FEINtalent participants are already forming an agile network.

Feintool aims to certify all locations according to the ISO 45001 standard. To achieve this, the long-established health management system will be gradually optimized through a uniform, Group-wide standard by 2028. The sites in Hungary and Japan have already achieved certification.

As part of its adaptation to the consequences of climate change, Feintool has aligned its product portfolio with future markets. However, due to the weak economic situation in Europe, the share of sales for climate-friendly applications declined during the reporting year, amounting to just over 50 percent at the end of 2024.

In 2024, Feintool also strengthened its ESG governance by creating and filling the new position of Sustainability Manager, who reports directly to the CFO (see p. 7).

Status CO₂ reduction target (Scope 1 and 2): -50 % until 2030



Climate target 2030: progress report

Feintool aims to halve the Group's CO₂ emissions from its own operations (Scope 1 and 2) by 2030. This includes emissions from electricity, combustibles, and vehicle fuels. By the end of 2024, Feintool had reduced these emissions by around 17 percent compared to the base year of 2019 – a level comparable to 2020, when the transition to green elec-

tricity at German plants made significant progress. However, total emissions increased slightly compared to the previous year. Although Feintool made additional green electricity purchases in Japan and implemented global energy-saving measures, the switch by individual sites back to conventional electricity for economic reasons led to a rise in CO₂ emissions.

Selection of United Nations Sustainable Development Goals



Feintool supports the implementation of the United Nations Sustainable Development Goals (SDGs) and identifies four key areas where the Group can make the most significant impact (see above). These areas include setting specific climate targets, offering attractive jobs while promoting employee development, driving sustainable growth through innovation, and implementing resource-efficient processes and procedures.



ENVIRONMENTAL RESPONSIBILITY

Feintool supports the climate targets set by Switzerland and global organizations. Our investments and high-quality solutions for low-CO₂ energy generation, storage, and mobility make a significant contribution to these goals. Sustainability is a core element of the 2030 corporate strategy. Accordingly, we design our production processes to minimize energy and resource consumption. In addition, we are working to reduce our greenhouse gas emissions by 2050 in support of the net-zero emissions target.

FOCUS ON EFFICIENCY

Feintool further reduces energy consumption

Feintool's environmental management strategy is multifaceted to maintain a focus on climate targets while adapting to varying market dynamics in Europe, Asia, and the US. As in previous years, numerous measures in 2024 aimed to increase energy efficiency and reduce energy consumption. However, the proportion of renewable energy in the electricity mix declined slightly (see pp. 21-25).

The Board of Directors is responsible for sustainable corporate governance within the Feintool Group, including activities related to climate change, resource flows, and internal sustainability-related incentive programs (see p. 7). The CFO (Chief Financial Officer) oversees the operational implementation of environmental optimizations. Business unit heads ensure compliance with environmental regulations, while plant and site managers are responsible for their practical implementation. Governance differs when it comes to certification processes. In these cases, responsibility and management depend on the scope of the certification and may fall to Feintool management, upper plant management, or the head of the business unit responsible for the process. All production sites, except for Jessen (DE), have achieved ISO 14001 certification. Jessen is expected to obtain this environmental management certification in early 2026.

Adaptation to climate change

The Executive Board remains mindful that the Feintool Group's economic activities have both positive and negative impacts on the environment and society (see pp. 10/11, 14/15). Steel processing is the primary contributor to greenhouse gas emissions in the supply chain. Feintool acknowledges its responsibility to minimize these climate impacts and protect the world's ecosystems. Consequently, climate change has been a major consideration in optimizing the Feintool Group's product portfolio. For many years, it has been standard practice to steer the company's strategic direction to balance legacy business aspects with key future markets (see pp. 8/9). Our latest product solutions support the reduction of our customers' greenhouse gas emissions.

Portfolio changes present both opportunities and risks, as do the measures taken to optimize energy efficiency in production, service, and administration (see p. 14).

Reducing emissions throughout the supply chain remains a core challenge within our operational sustainability. We are still in the early stages of systematically capturing carbon emissions across the value chain (Scope 3). It is known that steel consumption accounts for more than 90 percent of the Group's total emissions. Although Feintool has limited capacity to increase the proportion of secondary material in procured steel, this share is steadily rising. In 2017, the proportion of secondary material in the EU was 35.5 percent; by 2022, it had increased to 46 percent. We continue to identify additional relevant Scope 3 emissions categories.

Determining Scope 3 emissions is challenging because the process is complex and resource-intensive, and the data (activity and proxy data, emission factors) are often incomplete or inconsistent. This issue is compounded by the reliance on both internal and external data sources. In 2024, we implemented targeted measures to reduce energy consumption and carbon emissions. In Germany, Hungary, China, and Japan, annual energy consumption decreased by approximately 1 900 megawatt-hours (MWh), and annual carbon emissions were reduced by more than 1 200 tons. The proportion of renewable energies in the energy mix slightly decreased compared to 2023, comprising 26 percent of the overall energy mix and 35 percent of the electricity mix (see pp. 21-23).

Our certifications

- IATF 16949
- ISO 9001
- ISO 14001
- ISO 45001
- ISO 50001
- Environmental protection certificate (CN) "Sicher mit System" (systematic safety) seal of approval – employers' liability insurance association for the wood and metal industry (DE)



Contribution to UN Sustainable Development Goal 7

A secure and affordable energy supply is essential for achieving global climate goals. Feintool actively supports the development of renewable energy.

The following activities and measures contributed to reducing energy consumption and carbon emissions in 2024:

- ▶ In Ettlingen (DE), the cooling system was optimized to increase efficiency. The building management system now shuts down over the weekend, and power usage is demand-based.
- ▶ In Jena (DE), the hydraulic system was upgraded to significantly reduce energy consumption, support process monitoring, and minimize reactive power.
- ▶ In Obertshausen (DE), multi-stage presses were optimized to reduce the number of strokes, thereby increasing process efficiency.
- ▶ In Oelsnitz (DE), new air purifiers and ambient condition sensors were installed to improve air quality on the production floor.
- ▶ In Tokod (HU), an energy monitoring system was installed to identify unnecessary operating times, ultimately reducing energy consumption. Additionally, the LED retrofit program was expanded throughout the entire plant.
- ▶ In Tianjin (CN), outdated fixed-speed air compressors were replaced with variable-speed compressors to lower energy consumption.
- ▶ Since 2024, the production sites in Atsugi and Tokoname (JP) have been procuring a significantly higher proportion of certified green power.
- ▶ Additional measures in Atsugi included optimizing the main engine controller and air conditioning system, installing an energy-efficient cooling tower pump, and refurbishing the compressor.

Utilization of resources

Material consumption and waste generation present both opportunities and risks (see p. 14). Feintool has achieved a remarkable recycling rate of 99 percent. This accomplishment, combined with efficient resource utilization, generates cost savings, increases profitability, and improves upstream supply chain security. Additionally, we recognize an extra revenue stream from marketing raw materials recovered from waste. Potential risks include supply bottlenecks, rising disposal costs, legal sanctions, and reputational damage to the Group.

In 2024, Feintool once again implemented various projects to enhance resource use and reduce waste. These included initiatives in Germany and Japan to optimize wastewater treatment, reduce and reuse fineblanking oils, and replace a preservation medium.

When acquiring Herzing and Schroth in 2019, Feintool inherited a plot of land with groundwater contaminated by chlorinated volatile organic compounds (Cl-VOCs). Feintool immediately took measures to remediate the Cl-VOCs, investing around EUR 1.2 million to purify large areas of the soil. Survey results from 2024 indicate that only low levels of contamination remain. Despite not being responsible for the original contamination, Feintool has fulfilled all obligations and significantly improved the region's groundwater quality.



Contribution to UN Sustainable Development Goal 9

Feintool distinguishes itself through a spirit of innovation embedded in its corporate culture. At the same time, the selective pursuit of development projects ensures long-term competitiveness. The Group collaborates with universities on these initiatives and has continued to invest in research and development during the current reporting year. Each year, employees receive "Best Achievements" awards in Sustainability, Innovation & Technology, and Team Performance & Extra Mile.



Contribution to UN Sustainable Development Goal 12

The 2030 corporate strategy emphasizes sustainable production and consumption. Environmental management is integrated into every project aimed at process optimization to prevent negative impacts on people and the environment, reduce costs, and minimize the consumption of energy, space, and materials.

FACTS AND FIGURES

ENERGY

ENERGY CONSUMPTION (MWh)	2019	2022	2023	2024	Δ Prior year
Electricity	120 376	14 898	111 911	111 580	0%
Heating	43 213	40 748	39 129	35 165	-10%
Natural gas	33 443	31 841	30 746	27 365	
Heating oil	8 795	7 237	6 570	6 233	
Liquid petroleum gas (LPG)	22	28	40	35	
District heating	954	1 641	1 774	1 532	
Fuel	4 339	3 373	2 436	2 846	17%
Diesel	3 496	2 317	1 504	1 778	
Gasoline	703	899	793	947	
Liquid petroleum gas (LPG)	140	157	139	121	
Total energy consumption	167 928	159 019	153 476	149 592	-3%

The totals in the tables on pages 21 to 25 may not add up precisely due to numbers that have been rounded up.

Improved energy efficiency

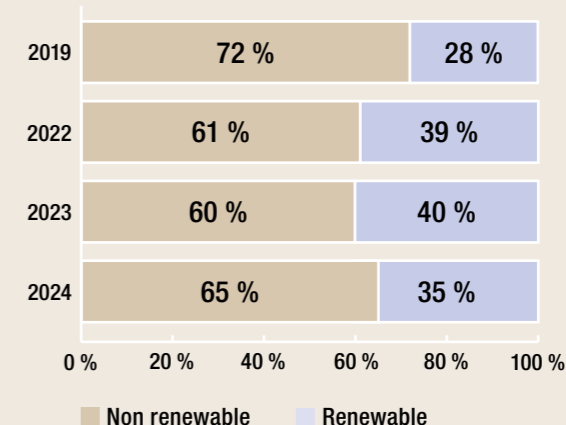
The Feintool Group's energy consumption totaled approximately 150 000 megawatt-hours (MWh) in 2024, slightly below the previous year's level. This reduction is primarily due to decreased production, particularly in Europe, as well as targeted measures to improve energy efficiency and limit energy usage. Electricity accounts for about three-quarters of total energy consumption, with the remainder coming from combustibles, vehicle fuels, and district heating.

To reduce its carbon footprint, Feintool prioritizes renewable energies, including certified green power. Once again in 2024, the company implemented numerous environmental initiatives and efficiency projects (see pp. 19/20), reducing electricity consumption by around 1 900 MWh.

The proportion of renewable energy within total consumption fell to approximately 26 percent, about 3.5 percentage points lower than in 2023. The share of renewable

electricity declined by around 5 percentage points, reaching approximately 35 percent. Some sites no longer use certified green power for economic reasons. Alongside renewable electricity, Feintool also utilizes district heating from sustainable sources. Increasing the share of renewable energy remains a core objective of the CO₂ reduction strategy, with electricity consumption playing a crucial role.

Electricity mix: share of renewable energy





EMISSIONS

Climate target 2030: Progress and challenges

In 2024, the Feintool Group's greenhouse gas emissions from own operations totaled approximately 47 000 tons of carbon dioxide equivalent (tCO₂e). Electricity consumption remained the dominant source of emissions, accounting for about 83 percent, followed by heat generation at 16 percent and fuel combustion at around 2 percent. Total emissions increased slightly compared to the previous year. The transition back to conventional electricity at certain sites led to higher emissions despite the procurement of additional green power in Japan and Feintool's numerous energy conservation measures worldwide.

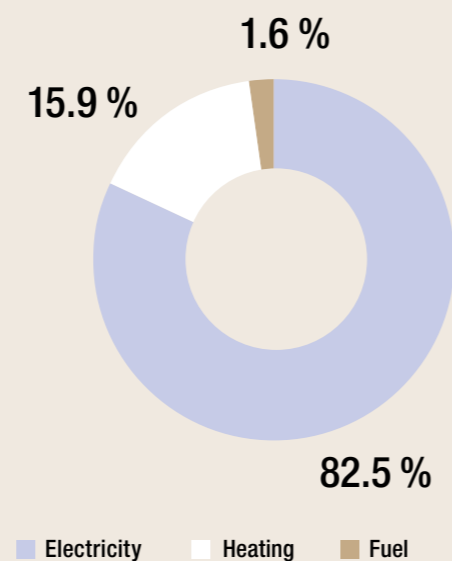
Alongside energy consumption, steel procurement significantly contributes to high emissions in the supply chain (Scope 3), accounting for more than 90 percent of the greenhouse gas inventory (see p. 19).

Since 2021, Feintool has been working toward the goal of reducing operational emissions (Scope 1 and 2) to 50 percent of 2019 levels by 2030. By the end of 2024, the Group had achieved a total reduction of 17 percent (see p. 13), returning to the 2020 level when most

German plants switched to green power, significantly lowering emissions. To meet the long-term target, additional measures to increase efficiency and the share of renewable energy will be necessary.

In 2024, Feintool implemented several targeted projects to conserve energy and increased the procurement of green power in Japan (see p. 20). These initiatives, primarily focused on reducing electricity consumption, decreased annual energy use by around 1 900 MWh and cut annual carbon emissions by 1 200 tCO₂e.

CO₂ emissions by activity (2024)



GREENHOUSE GAS EMISSIONS (tCO ₂ e) ¹	2019	2022	2023	2024	Δ Prior year
Scope 1 (direct emissions)²	10 390	9 376	8 723	8 048	-8%
Combustibles	9 240	8 489	8 086	7 302	
Fuels	1 150	887	637	746	
Scope 2 (indirect emissions)³	46 456	34 070	35 018	39 293	12%
Electricity ⁴	46 456	33 878	34 787	39 074	
District heating	87	192	231	220	
Total emissions (Scope 1 and 2)	56 932	43 446	43 741	47 341	8%

- 1) The company's greenhouse gas inventory was calculated in accordance with the WRI/WBCSD Greenhouse Gas Protocol standard. Feintool applies the operational control approach for consolidating emissions.
- 2) Scope 1: Direct greenhouse gas emissions from sources owned or controlled by Feintool (fuels and combustibles used in own facilities and vehicles).
- 3) Scope 2: Indirect greenhouse gas emissions from sources owned or controlled by another company, but resulting from Feintool's activities (consumption of purchased electricity and district heating).
- 4) The greenhouse gas emissions associated with electricity consumption are reported using the market-based method, following the Greenhouse Gas Protocol Scope 2 standard. Using the location-based method, Scope 2 emissions in 2024 totaled 44 720 tCO₂e (2023: 46 379 tCO₂e, 2022: 45 301 tCO₂e, 2019: 51 266 tCO₂e).

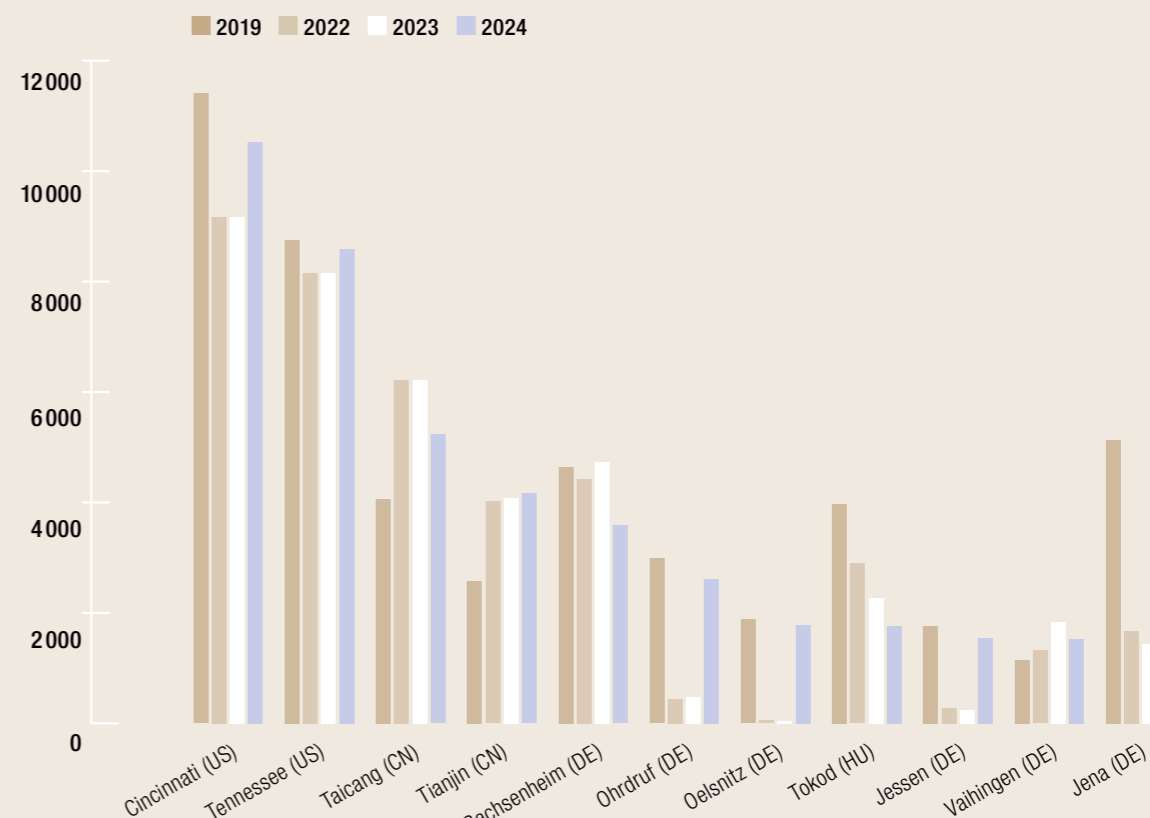
CO₂ emissions by site

Sites with energy-intensive production processes account for over 90 percent of total carbon emissions from own operations (Scope 1 and 2). Switching to green power in Jena in 2020 significantly reduced the carbon footprint. The same applies to the plants in Obertshausen and Ettlingen, which are no longer shown in the graphic due to their substantial emissions reductions.

Since 2024, the Ohrdruf, Oelsnitz, and Jessen sites have reverted to conventional electricity for economic reasons, leading to a significant increase in their emissions. At three of the five sites with the most energy-intensive production processes, electricity consumption and the associated carbon emissions rose slightly. However, Feintool managed to reduce emissions at the Tokoname and Atsugi sites (Japan, not shown in the graphic) by procuring additional green power.

Feintool continuously implements mitigation measures and assesses savings potential at all sites to further reduce carbon emissions.

Scope 1 and 2 CO₂ emissions by production site (tCO₂e)



The production sites depicted account for more than 90 percent of carbon emissions.



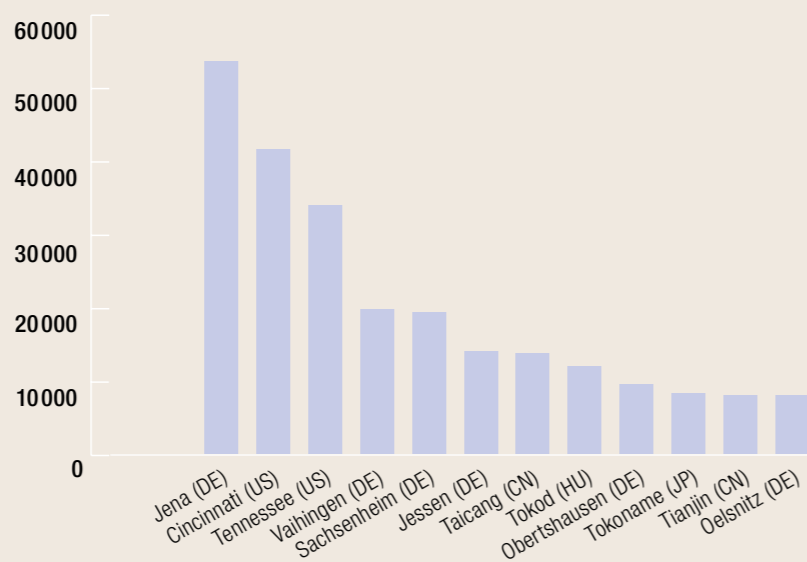
MATERIALS

Steel remains a key resource

Metals are an essential component of Feintool's production process. Steel, accounting for nearly 98 percent of material consumption, represents the largest share, particularly in the production of high-precision components. Feintool prioritizes efficiency and sustainability in steel procurement and processing, as these activities require substantial resources and energy. All metal production waste is recycled.

In 2024, the company also implemented targeted measures to reduce the consumption of chemicals and fineblanking oils. Total material consumption was slightly lower than in 2023, primarily due to a decrease in order volume in Europe. While material consumption dropped notably in Germany and Hungary, plants in the US, Switzerland, and China recorded a moderate increase.

Steel consumption 2023 by production site (metric tons)



The production sites depicted account for 90 percent of steel consumption.

MATERIAL CONSUMPTION (MT)	2019	2022	2023	2024	Δ Prior year
Raw material	202 413	291 977	289 298	264 495	-9%
Steel	201 699	288 434	286 981	262 848	-8%
Copper (incl. brass)	161	2 569	1 320	899	
Aluminum	552	974	997	748	
Supplies and consumables	757	2 433	2 316	2 117	-9%
Fineblanking and forming oils	682	867	826	620	
Others ¹	75	1 565	1 490	1 496	
Packaging material	745	2 437	2 530	1 985	-22%
Paper and cardboard	232	1 589	1 492	697	
Plastic	303	382	357	403	
Wood	211	466	681	884	
Total material consumption	203 915	296 847	294 144	268 596	-9%

The spike in total waste in 2022 is due to the incorporation of data from new sites (former Kienle + Spiess operations).

1) Cooling lubricants, hydraulic oil, quenching medium, corrosion protection, solvents, inert gas, quartz sand (data collected since 2020, except quartz sand)

WASTE

Reusing material to reduce consumption

Scrap metal accounts for the largest share of waste at the Feintool Group. The company recycles all metal production waste and over 90 percent of hazardous waste – a remarkable achievement. In doing so, Feintool supports the circular economy even within complex waste streams.

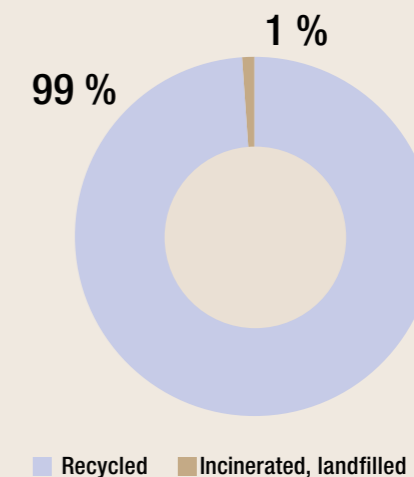
Feintool's robust waste management program ensures that each waste type undergoes the appropriate recycling methods. In 2024, the company maintained its recycling rate of over 99 percent, meaning the vast majority of production waste is reused as raw material. Total waste volume declined slightly compared to 2023. However, hazardous waste increased due to a change in the wastewater treatment system in Tennessee (US), necessitating temporary external disposal of liquid waste.

Throughout 2024, Feintool implemented targeted measures to reduce waste. Additionally, the Group supports the circular economy by reclaiming and reusing waste oil and fineblanking oil whenever feasible.

WASTE (MT)	2019	2022	2023	2024	Δ Prior year
Non-hazardous waste	119 101	180 958	180 683	167 776	-7%
Scrap metal (recycled)	117 001	179 634	179 418	166 513	-7%
Mixed industrial waste	1 862	1 107	1 026	1 072	
<i>Total recycled</i>	81	108	112	215	
<i>Total incinerated</i>	202	201	148	134	
<i>Total landfilled</i>	1 579	798	766	723	
Paper and cardboard	152	181	192	155	
<i>Total recycled</i>	152	176	177	155	
<i>Total incinerated</i>	0	5	16	0	
Quartz sand (landfilled)	85	36	47	36	
Hazardous waste	5 079	5 612	6 236	7 187	15%
Emulsions, waste oil, and oil-contaminated waste	4 918	5 371	6 016	6 930	
<i>Total recycled</i>	4 164	4 804	5 451	6 446	
<i>Total incinerated</i>	753	450	447	478	
<i>Total landfilled</i>	1	118	118	5	
Sludge	161	240	220	258	
<i>Total recycled</i>	116	192	191	223	
<i>Total landfilled</i>	44	48	28	34	
Total waste	124 180	186 570	186 919	174 964	-6%

The spike in total waste in 2022 is due to the incorporation of data from new sites (former Kienle + Spiess operations).

Waste by treatment method (2024)





ATTRACTIVE EMPLOYER

Feintool continuously takes measures to maintain its technological edge. To achieve this, the Group relies on its highly qualified and motivated employees to develop and implement innovative solutions that meet customers' needs. Human Resources has defined core competencies to support employee development, with a particular focus on leadership and young talent.

GOAL-ORIENTED DEVELOPMENT

Feintool provides an attractive work environment

The Feintool Group employs more than 3 000 people across three continents. Key elements of human resources management – particularly important as we make capacity adjustments in Europe – include adequate working conditions worldwide, education and development programs, occupational health and safety, and data privacy.

Communication among employees, as well as between employees and management, is essential to fostering a workplace where trust is shared and goals are achieved. To support this, the Feintool Group operates FEINnet, an intranet platform that facilitates communication and provides a space for voicing opinions. This platform also plays a role in annual employee performance reviews (see p. 12). In 2024, town hall meetings were introduced as an additional means of two-way digital communication, connecting all sites worldwide. As part of the reorganization in Europe initiated in 2024, the Executive Board and employees are working together to find socially responsible solutions.

The transition to a low-carbon economy, global economic developments, and a rapidly changing geopolitical landscape impact business activities and the human resources strategy throughout the entire Feintool Group. The company requires technical, methodological, and collaborative competencies, as well as innovative strength and a readiness to take responsibility in a dynamic environment. The Group aims to offer employees attractive working conditions and support them in realizing their full potential. We strive to retain talented staff members within the company for as long as possible. After all, at a technology company like Feintool, every person makes a difference – especially because precision in every detail matters in this line of work. The principle of "support and specify" within Feintool's human resources management embodies two sides of the same coin. Luana Kinner, Chief Human Resources Officer, oversees Group-wide strategic development in this area.

Working conditions

As part of a double materiality assessment, Feintool identified adequate working conditions as a key reporting area, with a focus on fair compensation and transparent working time policies. Occupational health and safety, as well as data privacy for employees, were also defined as material topics (see p. 13). This process revealed both opportunities and risks for the Group. For example, ensuring adequate working conditions enhances job

satisfaction, leading to increased productivity and strengthening the company's employer branding and competitiveness in the job market. Supporting these objectives also reduces turnover, thereby lowering recruiting costs. Conversely, violations of regulatory requirements can result in costs and damage the company's reputation.

Compensation within the Feintool Group complies with the labor laws of each respective region. Our wage system is transparent and based on the principle of equal treatment for all employees. More than 50 percent of employees worldwide are covered by collective bargaining agreements or are additionally represented by a trade union. Where minimum wages apply, they are paid without exception.

Feintool has implemented comprehensive, decentralized digital systems to ensure compliance with contractually defined working hours, considering legal regulations, operational needs, and extenuating circumstances. Our entire workforce – including full- and part-time employees, interns, and temporary and agency workers – is covered by legislation, public programs, and voluntary benefits that protect against lost wages due to unemployment, illness, disability, or retirement.

Health and safety

Feintool considers occupational health and safety a critical priority. The associated risks include workplace accidents and sick leave, which can result in costs and production losses. The Executive Board has set a goal for all sites to achieve certification per ISO 45001, the international standard for occupational health and safety management, by 2028. The Tokod site in Hungary has held this certification for many years, while the Atsugi and Tokoname sites in Japan achieved certification in 2024.

Regardless of certifications, the Group-wide Feintool management system has long established the responsibilities and processes related to occupational health and safety for all production sites. Risk analyses and emergency procedures for

handling hazardous waste and materials support preventive health practices. Additionally, Feintool implements environmental protection measures and maintains an energy management system. All procedures are thoroughly documented and undergo regular internal and external audits.

Each site has an occupational safety officer, while plant managers hold ultimate responsibility for health and safety. Feintool's operational health management system, offering a range of benefits, further supports employee well-being.

We fully respect confidentiality and employee privacy, especially when handling sensitive health-related data. This practice reinforces trust in Feintool as an employer. Additionally, optimizing processes helps the Group save costs.

Operationally, information security and data privacy fall under the responsibility of the CIO (Chief Information Officer), who leads the Group-wide IT team and reports directly to the CFO (Chief Financial Officer). Each site also has a local information security officer.

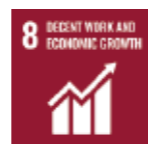
New learning platform

Over the past few years, human resources management has developed FEINacademy, a global learning platform that will go live in 2025. This platform fosters global interaction and provides targeted training to managers, employees, and young talent, focusing on teamwork and specialized skills. FEINacademy enables the quick and cost-effective creation of structured, company-specific content that is always up to date.

Feintool uses a human capital management system to identify key positions and evaluate leadership and specialist roles. A central objective of the FEINtalent global development program is to support the growth of young talent. The program's first cohort completed training in 2024, and the next group will begin in 2025. The medium-term goal is to build a talent pool and strengthen our global network in this area. In 2025, Feintool will launch a Group-wide program for employees who wish to pursue qualifications for leadership roles. This program has already achieved success within the Blanking/Forming Europe business unit.

Feintool firmly believes that sustainable success is possible only when a shared corporate culture is actively practiced – one shaped by mutual respect, tolerance, a sense of responsibility, and motivation. The Group's personnel policy and the Feintool Code of Conduct form the foundation of this culture. These guiding principles are based on general human rights and standards set by international organizations, including the ILO (International Labour Organization) and the OECD (Organisation for Economic Co-operation and Development).

All employees complete mandatory training on the Code of Conduct, which helps establish a shared understanding of values within the international company. Mechanisms for raising concerns are available to both employees and external personnel (see pp. 33, 38). All reports are thoroughly investigated, and confirmed violations result in sanctions.



Contribution to UN Sustainable Development Goal 8

Feintool provides adequate working conditions, opportunities for professional development, and fair compensation to its more than 3 000 employees worldwide. The Group ensures a safe work environment and follows a zero-tolerance policy toward all forms of discrimination. Temporary agency workers receive compensation in line with local laws and are fully integrated into occupational health and safety practices.

FACTS AND FIGURES



The following key figures pertain to the entire Group, consistent with the consolidated companies outlined in the Annual Report 2024.

DIVERSITY

Diversity as a strength

As an international company, Feintool benefits from multinational teams comprising various generations, nationalities, and genders, with diverse competencies and professional backgrounds. The Feintool Code of Conduct for Ethical Business Practices and the Supplier Code of Conduct provide the foundation for respectful collaboration among employees, customers, and business partners.

In 2024, Feintool employed approximately 2 955 people, about 3.5 percent fewer than in 2023. The primary reason for the decrease was the reorganization in Europe, with most of the reduction resulting from natural turnover. Nearly three-quarters of the workforce is based in Europe, with the remainder in the US and Asia. The proportion of women remained stable at over 18 percent. While this is a relatively strong figure for a technology company like Feintool, human resources management aims to encourage more young women to pursue technical careers.

In 2024, Feintool offered contract-based work and a limited number of temporary positions in roles such as follow-up inspection. Although these employees are not directly employed by Feintool, they receive occupational safety training, access to health promotion programs, and compensation in line with relevant laws.

Workforce composition 2024

	Total	Male	Female
By region	2 955	2 410	545
Europe	2 153	1 750	404
USA	419	354	65
Asia	382	306	76
By employment contract	2 955	2 410	545
Permanent	2 839	2 319	520
Temporary	116	91	25
By type of employment	2 955	2 410	545
Full-time	2 830	2 368	462
Part-time	125	42	83

These figures represent the average number of employees in 2024, rather than the number of employees as of the reporting date, December 31, 2024. Consequently, these figures may differ from the employee data published elsewhere. Additionally, Feintool had 85 vocational trainees and five trainees and interns, none of whom are included in these figures. Beyond the employee numbers shown in the table, Feintool also employed an average of 307 temporary workers.

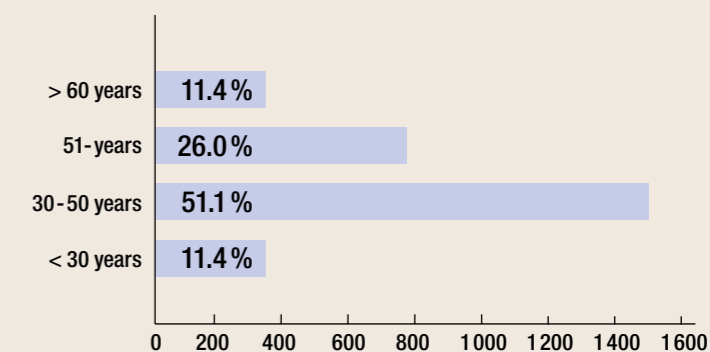
The totals in the tables on pages 29 to 31 may not add up precisely due to numbers that have been rounded up.

Employees by country 2024

Country	Headcount	%
Germany¹	1 539	52%
USA¹	419	14%
Hungary¹	350	12%
China	262	9%
Switzerland	196	7%
Japan	120	4%
Czech Republic	69	2%

¹⁾ Countries with at least 50 employees, representing at least 10 percent of the Feintool workforce

Employees by age group 2024





OCCUPATIONAL HEALTH AND SAFETY

Focus on prevention

Feintool places great value on early identification of workplace hazards and their elimination through preventive measures. Physical or mental illnesses, accidents, and injuries not only result in costly absences but, more importantly, affect vitality and quality of life. Feintool's management system has long incorporated processes related to occupational safety and health. The goal is for all sites to achieve certification per the internationally recognized ISO 45001 standard by 2028. This occupational safety standard focuses on workplace policies, employee involvement, and risk assessment and control. Legal

aspects of occupational safety are also integrated into the certification process. The site in Tokod (HU), and the Atsugi and Tokoname (JP) sites are already ISO 45001 certified.

The number of workplace accidents increased compared to 2023 but remains lower than in 2022. Work-related accidents, accidents with at least one lost workday, and the total number of lost workdays due to work-related accidents and injuries all rose. The increase in lost workdays was mainly due to two accidents resulting in extended absences. Consequently, the Lost Time Injury Frequency Rate (LTIFR) and the Accident Severity Rate (ASR), which are based on these parameters, also increased.

The LTIFR represents the number of accidents involving at least one lost workday, while the ASR indicates lost workdays due to accidents relative to hours worked. Feintool is required to maintain a detailed analysis of all accidents.

As a notable achievement, the Berufsgenossenschaft Holz und Metall (BGHM), the statutory accident insurance association for the woodworking and metalworking industries in Germany, honored Feintool's in-house-developed electronic first aid recording platform with the "Schlauer Fuchs" (cunning fox) safety award in 2024.

Key figures related to occupational safety	2022	2023	2024
Number of workplace accidents	192	135	183
Lost time injury frequency rate (LTIFR) ¹	3.0	2.6	3.0
Number of lost workdays due to accidents	1 282	1 026	1 653
Accident severity rate (ASR) ²	46.9	38.8	68.3
Number of serious workplace accidents ³	-	-	2
Number of fatalities from workplace accidents	-	-	-

- 1) Lost Time Injury Frequency Rate (LTIFR): number of accidents that resulted in an employee's inability to work the next full workday per 200 000 hours worked
- 2) Accident Severity Rate (ASR): number of lost workdays due to accidents per 200 000 hours worked
- 3) At least 180 lost workdays per case

TURNOVER

Employees make the difference

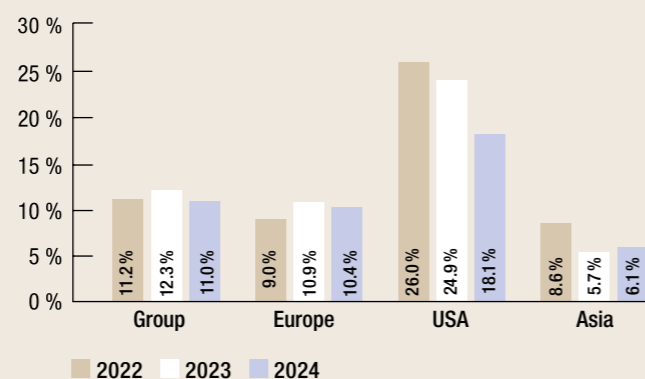
Feintool takes strategic steps to attract skilled workers and retain them over the long term. FEINtalent, the company's talent development program, along with a new program for managers, play a key role in this effort. Skilled and dedicated employees at all levels are essential to the Group's success. Feintool provides attractive workspaces equipped with the latest technologies, fostering teamwork and a culture of open communication.

We closely monitor the turnover rate as it provides valuable insights into employee satisfaction and guides continuous improvement efforts. Line managers hold one-on-one meetings with all employees periodically and conducts exit interviews when an employee leaves. The company implements improvement measures based on the feedback collected during these discussions.

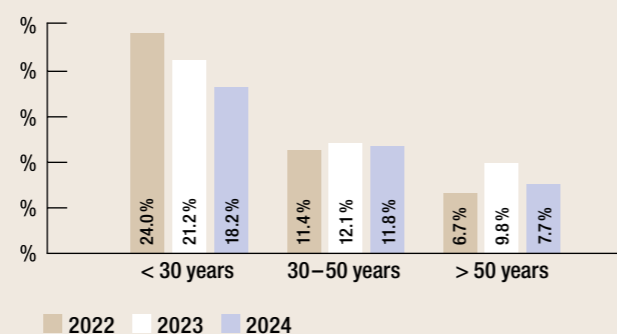
The turnover rate decreased by about 1 percentage point compared to the previous year. All regions except Asia saw a decline, and the decrease was consistent across all age groups.

About 51 percent of the workforce is covered by a collective bargaining agreement or belongs to a union.

Turnover overall and by region



Turnover by age group



Turnover is calculated based on employees with a permanent employment contract and includes both voluntary and involuntary departures. Employees leaving due to retirement are not included.



BUSINESS CONDUCT

As a global technology group, we have a responsibility not only to our employees, customers, and business partners but also to society as a whole and the environment. Accordingly, Feintool places great value on sustainable corporate governance and a culture of openness in day-to-day operations. These principles are demonstrated through unwavering compliance, fair business practices, and mutual respect.

FAIR BUSINESS RELATIONSHIPS

Feintool cultivates a sustainable corporate culture

Feintool's workforce spans the globe. Accordingly, we value respectful collaboration among employees and with external partners. The Group-wide Code of Conduct establishes the guiding principles for daily operations and forms the foundation of our corporate culture. It focuses on integrity, tolerance, responsibility, and motivation.

The Feintool Group maintains an active presence on three continents, strategically positioning itself within key automotive markets. Long-term partnerships with customers and suppliers, built on trust, integrity, and fairness, are critical to the company's success.

In 2024, the Corruption Perceptions Index recorded scores of 43 for China, 38 for India, and 34 for Turkey (0 = highly corrupt, 100 = very clean), indicating an elevated risk of corruption in all three countries. The double materiality assessment of our sites, supply chains, and target markets identified corporate culture and supplier relationship management as key material topics.

We remain mindful that poor corporate culture can reduce employee motivation and increase turnover, while respectful and open collaboration enhances productivity. Noncompliance within the company can negatively impact both stakeholders and the Feintool Group itself, potentially leading to legal disputes, liabilities, financial and non-financial sanctions, and reputational damage. Corruption distorts competition, undermines market integrity, and compromises the Group's values.

In terms of supplier relationships, the main risks include reduced cooperation during supply bottlenecks, loss of price advantages due to poor payment practices, and reputational harm. In contrast, strong and reliable partnerships with suppliers enhance Feintool's resilience, strengthen negotiating power, and build customer trust. Therefore, our objective is to prevent potential negative impacts and minimize risks.

At Feintool, compliance encompasses all external regulations and laws applicable to the Group, as well as internal guidelines approved by the Board of Directors and the Executive Board. These guidelines are integrated into the Group's management system. The Group-wide Code of Conduct for employees (CoC) and for suppliers (SCoC) are the primary frameworks guiding

ethical standards for employee activities and setting expectations for suppliers and business partners. They cover workplace rights and conditions, occupational health and safety, environmental protection, human rights, and anti-corruption. In developing these standards, Feintool draws on numerous international guidelines, as specified in the Codes of Conduct.

We adhere to a zero-tolerance policy against all forms of corruption. Each region has external ombudspersons who provide mechanisms for raising concerns, with a commitment to confidentiality, anonymity, and protecting both internal and external whistleblowers. Responsibility for this area lies with the heads of business units, who periodically report to the Compliance Officer, a role held by the CFO. All complaints are thoroughly investigated, with disciplinary measures or sanctions imposed for confirmed misconduct. CoC violations of a criminal nature result in legal proceedings.

In 2024, no instances of corruption were reported. The Executive Board ensures that business unit heads fulfill their obligations, including financial reporting. Payment terms with suppliers are managed on a case-by-case basis.

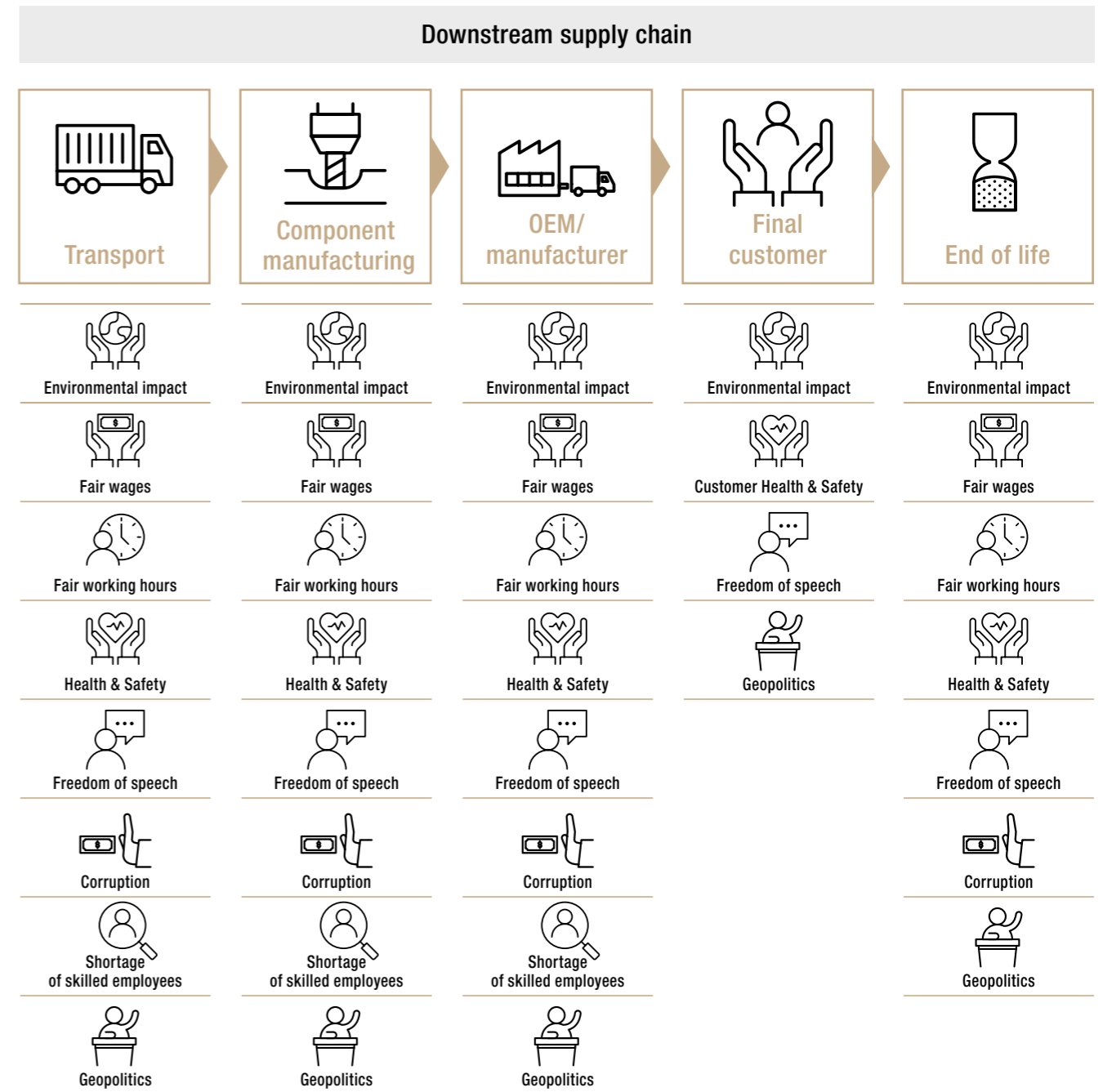
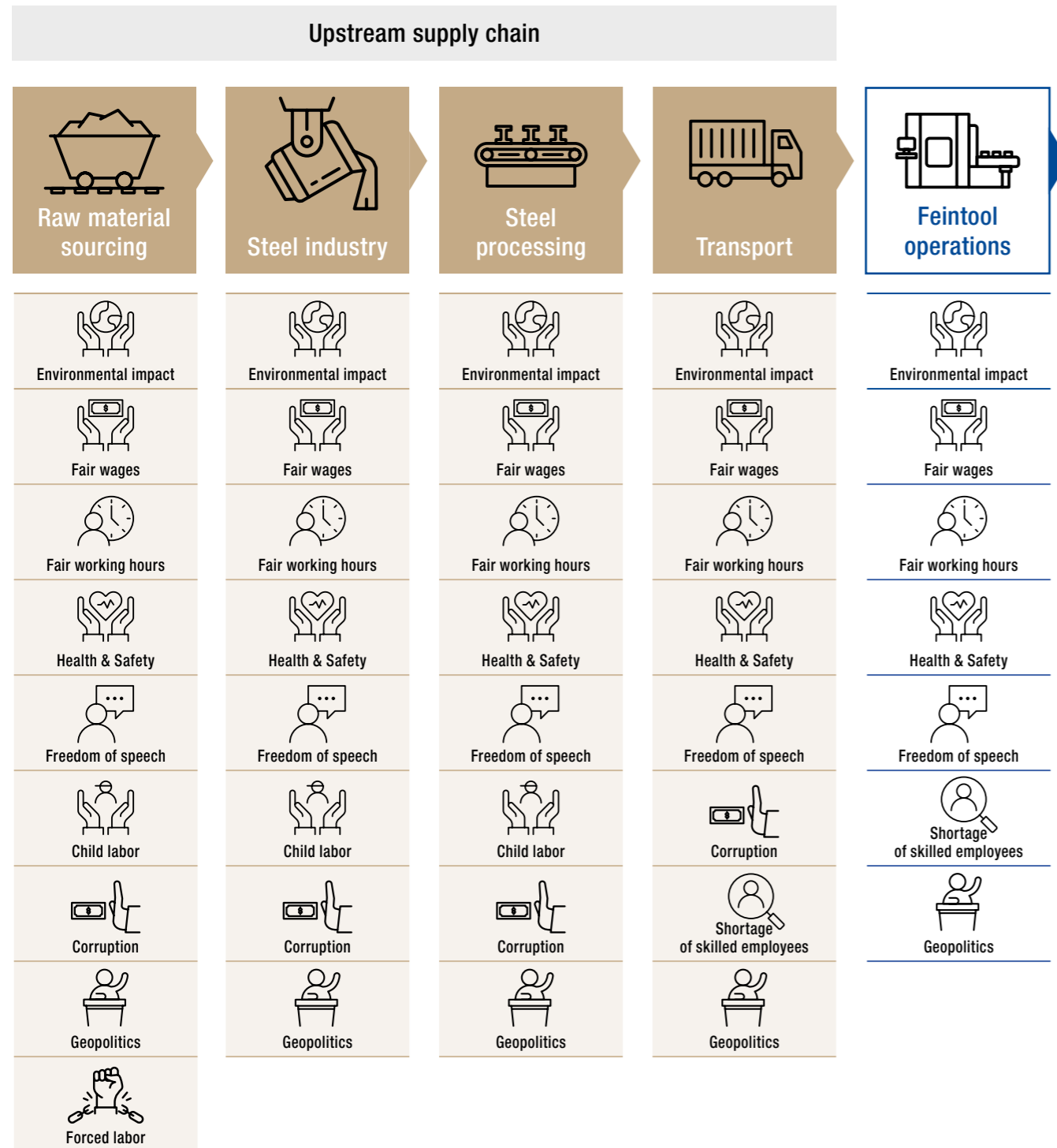
RESPONSIBLE PROCUREMENT

Feintool included both the upstream and downstream supply chains in its assessment of business activities to identify impacts, risks, and opportunities (see pp. 13-15). Since 2022, we have been systematically evaluating the potential social and environmental risks specifically associated with the supply and processing of steel. This focus is essential,

as steel coils are undeniably the most critical product for the Group's business model. We meet the due diligence and transparency obligations related to this value chain as stipulated by the Swiss Code of Obligations, Art. 964 j to l. In practice, this means that in 2024, Feintool assessed compliance with human rights throughout the steel supply

chain, with a particular focus on risks related to child labor and the procurement or processing of minerals and metals from conflict regions (see pp. 36-38). Our assessment determined that the latter category is not relevant within Feintool's operations. This comprehensive analysis forms part of our commitment to responsible business practices.

We recognize that potential social and environmental risks can arise within procurement activities, and we are committed to monitoring these risks continuously. The graphic below highlights additional social and environmental risks that may occur, all of which will be closely monitored as part of our ongoing procurement management efforts. >>





Ukraine significantly disrupted the steel industry’s growth trajectory, particularly in Western Europe. Additionally, the geopolitical tensions in Asia that became evident worldwide in 2024 may have consequences that are not yet fully understood.

Steel: Countries of origin and evaluation process

Steel for Feintool’s European plants primarily comes from Western Europe, as well as from China and Turkey. Feintool does not purchase steel from Russia. Plants in the US are exclusively supplied by companies headquartered or located within the US. Similarly, most of the metal used in China is sourced locally, with some steel imported from Germany and the Netherlands. In Japan, raw material is generally supplied by the customer, who typically sources most of the required steel from domestic production.

As Feintool sources most of its steel from Germany, the 2022 IW Consult study remains a key reference for evaluating ESG aspects within the supply chains. This study provides essential figures for assessing the sustainability of supply chains in the German steel industry. Compiled by the German Economic Institute (IW) in Cologne, it draws on data from international organizations. The figures include the performance data of the top nine countries relevant to the UN Sustainable Development Goals (SDGs) related to the steel industry. Countries supplying Feintool are highlighted in the table (see p. 37). The sustainability rankings indicate that the risk of human rights violations, including child labor, is relatively low in Europe, Japan, and the US. However, the risk is significantly higher in China and Turkey. The same applies to India, where Feintool is constructing a new plant in the metropolitan region of Pune, scheduled to begin operations in 2025.

Corruption risk is also high in all three countries (see p. 33). To assess human rights risks within the upstream steel supply chain, we used the CSR Risk Check Tool, focusing initially on China. Developed by MVO Nederland and Concept 7 and commissioned by government agencies in the Netherlands, Germany, and Switzerland, this tool helps evaluate potential human rights issues.

The assessment identified potential risks related to freedom of association and assembly, discrimination against migrant workers, specific religious and ethnic groups, and minorities, as well as forced labor. It also revealed serious deficiencies in compensation and occupational safety within industries such as chemicals, coal, and mining. While child labor (defined as employing rather than training minors under 16) is illegal in China, enforcement varies. In India, labor law reforms initiated in 2019 are still ongoing, and the government recognizes child labor as a political challenge, implementing or planning specific countermeasures.

Potential risks

Feintool produces high-precision parts from steel sheets, positioning itself as a key player in the future markets for technologies and products related to the generation, storage, and use of green energy. The Group is one of the largest suppliers of components for main drives in electric vehicles. Value chains in this segment are typically extensive and driven by the need for extreme efficiency.

However, Feintool’s upstream supply chain is relatively simple, as the company primarily processes coils of various steel types. In 2024, steel accounted for more than 90 percent of the total purchasing volume, totaling 262 244 tons. The upstream supply chain can be traced through four stages, beginning with raw material extraction and ending with the distribution of hot-rolled, cold-rolled, and electrical steel strip to Feintool Group plants. In contrast, the downstream supply chain for manufactured steel components comprises five stages, specifically relating to applications in the automotive and commercial vehicle sectors.

We assessed risks and opportunities across all stages of the upstream and downstream value chains, recognizing that risks and opportunities are often two sides of the same coin. A perceived risk can be transformed into an opportunity through effective management, benefiting employees, climate action, and natural resources.

Geopolitical risks are becoming increasingly significant. A study by Bronk & Company, a German consulting firm specializing in value chains, found that Russia’s war of aggression against

At Feintool, we view human rights due diligence as an ongoing process and conduct annual evaluations to ensure compliance and progress.

Measures taken

Feintool has long adhered to comprehensive environmental and international labor standards as part of its supplier relations strategy. Various standards and guidelines form the foundation of this approach.

Feintool undergoes periodic evaluations within the framework of the globally recognized SAQ (Sustainability Assessment Questionnaire) for the automotive industry. These evaluations cover human rights, ecology, health and safety, business ethics, compliance, and responsible supplier management.

In addition, Feintool maintains stringent standards in quality and process management, as demonstrated by its compliance with the IATF 16949 industry standard. Customer inquiries at individual sites, conducted by the global non-profit CDP and the rating agency EcoVadis, further ensure adherence to these high standards. >>

Sustainability risk related to working conditions

Rank	Country	Child labor	Compliance with labor rights
1	Germany	1.1 %	0.74
2	Japan	3.2 %	1.43
3	USA	0.8 %	2.70
4	Korea	3.3 %	1.77
5	Russia	4.6 %	1.69
6	Brazil	3.5 %	2.91
7	China	3.1 %	4.94
8	Turkey	4.5 %	4.60
9	India	4.8 %	4.61

Country ranking based on the entire steel value chain
Sources: ICIO (2019), UN (2021), IW Consult statistics (2022)

Rank	Country	SDG 8	SDG 12	SDG 13	SDG 16
1	Germany	1	1	2	1
2	Japan	2	3	1	2
3	USA	3	5	3	3
4	Korea	4	2	4	4
5	Brazil	6	4	6	7
6	China	7	6	7	6
7	Turkey	8	7	5	8
8	Russia	5	9	8	9
9	India	9	8	9	5

Overall ranking and rankings of individual countries with regard to SDGs pertaining in the steel value chain.

Sources: OECD (2019), UN (2020), World Bank (2021), Transparency International (2021), IEA (2021), Yale Center for Environmental Law & Policy, IW Consult statistics (2022)

Numerous Feintool guidelines reflect our commitment to respecting human rights and upholding a zero-tolerance policy. These guidelines are grounded in principles established by international organizations and include the Code of Conduct (CoC), the Supplier Code of Conduct (SCoC), and processes outlined in our Group-wide management system. The SCoC applies to suppliers whose annual purchasing volume with Feintool exceeds CHF 500 000. All companies contacted in China have signed the SCoC. In the US, the Code of Conduct is integrated into the Terms and Conditions, and the respective rollout in Europe was completed in 2024.

Feintool provides mechanisms for raising concerns, ensuring that all stakeholders have the ability to directly and anonymously report potential human rights violations (see p. 33). Periodic supplier audits conducted as part of the quality management system also provide insights into the practices of businesses required to adhere to the SCoC.

No instances of child labor or other human rights violations among direct suppliers were reported at Feintool in the 2024 financial year.

Raw materials: procurement and evaluation process

Within the framework of compliance, Feintool also meets its due diligence obligations per the Swiss Code of Obligations regarding the import and processing of conflict minerals (tin, tantalum, tungsten, gold). The same standards and mechanisms for raising concerns as those applied for anti-corruption are also in place here (see p. 33).

Among the units within Feintool International Holding AG in Switzerland, only the Tool Making business unit required assessment in 2024. This is because Parts Production in Switzerland, partially outsourced due to the reorganization, processes almost exclusively steel. This alloy of carbon and iron is free of minerals from countries where these metals are mined and traded to finance armed conflict.

In 2024, Tool Making used various tungsten-containing tool steels. Although the amount of tungsten used was below the reporting threshold, Feintool still conducted a thorough investigation of the supplier. The findings confirmed that the origin of the tungsten was fully compliant and unproblematic.

Feintool also assessed the copper supply chain due to the environmental, social, and governance (ESG) risks associated with the mining and processing of this transition metal. In 2024, the Feintool Group processed significantly less copper than in 2023, totaling 748 tons (-25 percent). Copper accounts for just 0.3 percent of the company's total raw material consumption. Consequently, its materiality falls below the threshold requiring an in-depth assessment. Nevertheless, achieving transparency in our supply chains remains a priority.

Feintool's site in Ettlingen, Germany, has the highest copper consumption within the Group. This site sources copper from a single supplier certified in ISO 9001/IATF 16949 and ISO standards 14001, 45001, and 50001. The supplier confirms that it only sources materials from approved and registered companies and does not procure from mines in conflict regions.

Both Feintool and its business partner acknowledge the complexity of the raw material supply chain. To address this, the supplier has set a goal of ensuring that by 2030, all applicable procurement is conducted through certified suppliers or those who have undergone a sustainability assessment. This commitment will be based on participation in the Responsible Business Alliance (RBA, formerly the Electronic Industry Citizenship Coalition, EICC) and the Global enabling Sustainability Initiative (GeSI).



CONTENT INDICES

GRI DISCLOSURES

The following index contains references of this Feintool Group report to the Global Reporting Initiative (GRI) standards 2021. The abbreviation “AR” denotes the Feintool Annual Report 2024. Page references without further details pertain to the current Feintool Sustainability Report 2024.

GRI Reference and Disclosure	Page no./Information
GRI 2: General Disclosures 2021	
2-1 Organizational details	pp. 2/3; AR p. 24
2-2 Entities included in the organization's sustainability reporting	p. 4; AR p. 26
2-3 Reporting period: 01.01.2024 to 31.12.2024; reporting frequency: annual; contact: Karin Labhart, Head of Corporate Communications, Feintool	
2-4 Restatements of information	-
2-5 External assurance	none
2-6 Activities, value chain and other business relationships	pp. 2, 9, 10/11, 34-38
2-7 Employees	pp. 29; AR p. 17
2-8 Workers who are not employees	p. 29
2-9 Governance structure and composition	AR pp. 88, 92-94, 98-100
2-10 Nomination and selection of the highest governance body	AR p. 95
2-11 Chair of the highest governance body	AR p. 92
2-12 Role of the highest governance body in overseeing the management of impacts	p. 7, 13; AR pp. 96/97, 104/105
2-13 Delegation of responsibility for managing impacts	pp. 7; AR pp. 96/97, 104/105
2-14 Role of the highest governance body in sustainability reporting	p. 7
2-15 Conflicts of interest	AR pp. 95, 99, 110/111
2-16 Communication of critical concerns	p. 7; AR pp. 97, 101/102
2-17 Collective knowledge of the highest governance body	AR pp. 92-94
2-18 Evaluation of the performance of the highest governance body	-
2-19 Remuneration policies	AR pp. 106-109
2-20 Process to determine remuneration	AR pp. 99/100, 106-109
2-21 Annual total compensation ratio	-
2-22 Statement on sustainable development strategy	pp. 5, 8/9, 16/17
2-23 Policy commitments	pp. 32/33; 34-38; Code of Conduct; Supplier Code of Conduct (feintool.com)
2-24 Embedding policy commitments	pp. 7, 19, 28, 32-38; Code of Conduct; Supplier Code of Conduct (feintool.com)
2-25 Processes to remediate negative impacts	p. 7; AR pp. 104/105
2-26 Mechanisms for seeking advice and raising concerns	Code of Conduct; Supplier Code of Conduct (feintool.com)
2-27 Compliance with laws and regulations	p. 7; Code of Conduct (feintool.com); AR p. 24
2-28 Membership associations	feintool.com
2-29 Approach to stakeholder engagement	p. 12
2-30 Collective bargaining agreements	p. 30
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	p. 13
3-2 List of material topics	p. 13

GRI Topic Standards and Management of Material Topics	Page no./Information
GRI 201: Economic Performance 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	AR pp. 26, 88-91, 104/105
201-1 Direct economic value generated and distributed	AR pp. 13-17, 18/19
GRI 205: Anti-corruption 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	p. 33
205-1; -2; -3 Assessments, training, confirmed incidents and measures taken	pp. 7, 28, 33, 37/38
GRI 301: Materials 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 19/20
301-1 Materials used by weight or volume	p. 24
GRI 302: Energy 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 19/20
302-1 Energy consumption within the organization	p. 21
GRI 305: Emissions 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 19/20
305-1 Direct (Scope 1) GHG emissions	pp. 22/23
305-2 Energy indirect (Scope 2) GHG emissions	pp. 22/23
GRI 306: Waste 2020	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 19/20
306-1; -2 Disclosures on handling the topics	p. 20
306-3 Waste generated	p. 25
306-4 Waste diverted from disposal	p. 25
306-5 Waste directed to disposal	p. 25
GRI 401: Employment 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 27/28
401-1 New employee hires and employee turnover	pp. 29/30
GRI 403: Occupational Health and Safety 2018	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 27/28
403-1 to 403-7 Disclosures on handling the topics	pp. 27/28, 31
403-8 Workers covered by an occupational health and safety management system	p. 28
403-9 Work-related injuries	p. 31
GRI 405: Diversity and Equal Opportunity 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 27/28
405-1 Diversity of governance bodies and employees	p. 29
GRI 406: Non-discrimination 2016	
GRI 3: Material Topics 2021, 3-3 Management of material topics	p. 28; Code of Conduct; Supplier Code of Conduct (feintool.com)
406-1 Incidents of discrimination and corrective actions taken	no incidents
Feintool specific topic	
GRI 3: Material Topics 2021, 3-3 Management of material topics	pp. 7, 28

NON-FINANCIAL INFORMATION PERSUANT TO THE SWISS CODE OF OBLIGATIONS, ART. 964B

The index below refers to the non-financial disclosures in accordance with the Swiss Code of Obligations, Art. 946b. This information was approved by the Board of Directors and will be submitted to vote at the annual general meeting on April 29, 2025.

Requirement	Information	Page no.
Business model	Description and outcomes of the Feintool business model	pp. 10/11
Environmental matters including CO ₂ -targets	Climate target	pp. 16/17
	Energy and emissions	pp. 18-23
	Use of resources and waste	pp. 24/25
Social issues	Business conduct	pp. 32/33
	Responsible procurement	pp. 34-38
	Data protection and cybersecurity	p. 7
Employee-related issues	Adequate working conditions and ethical standards	pp. 27-30
	Occupational health and safety	pp. 27/28, 31
	Data privacy for own workforce	p. 28
	Talent development, executive development	pp. 28, 30
Respect for human rights	Risk assessments, ethical standards, and compliance	pp. 7, 28, 34-38
Combating corruption	Ethical standards and compliance	pp. 7, 28, 33, 37/38
Due diligence and transparency regarding minerals and metals from conflict regions and child labor pursuant Swiss Code of Obligations, Art. 964j to 964l	Risk assessments, particularly of the steel supply chain	pp. 7, 28, 34-38

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