

Driving Sustainability and Innovation



About Oerlikon

Oerlikon is a global leader in surface technologies with a subsidiary for manmade fibers solutions, Barmag.

With a unique portfolio in surface engineering, advanced materials, coating equipment and components, we make our customers' products better: improved efficiency, durability and sustainability. Oerlikon serves a wide range of industries, including Aerospace, Automotive, Energy, Medical and Luxury.

Pioneering technology for decades, we cherish creating and designing the future with our customers close to where they are, enabling them to achieve more with less.

We help our customers to become more sustainable and efficient. Emissions reduction in transportation, maximized longevity and performance of tools, luxury accessories and components and increased energy efficiency are proven hallmarks of our global leadership.

Everything we invent, develop and do is guided by our passion to support our customers' goals and foster a sustainable world.

Headquartered in Pfäffikon, Switzerland, the Group has a global presence with over 12 000 employees across 199 locations in 38 countries, achieving sales of CHF 2.4 billion in 2024.



2024 Progress on Targets

Continued to invest in sustainable products: ~81% of R&D expenditure.

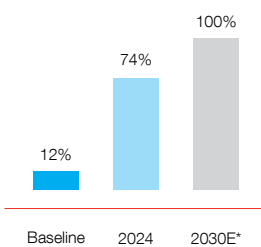
Improved on operational environmental targets: +35 sites with energy management systems, i.e. a total of 123 sites, accounting for 74% of total operational sites.

Reduced total accident frequency rate by 43% to 0.50 vs. baseline (0.88), marking the achievement of our 2030 target six years ahead of schedule.

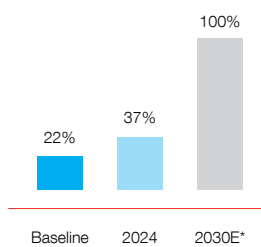
Increased percentage of women in high-potential programs to 26%. Continued strengthening diversity through programs, such as International Women's Day, Pride Month, Diversity Conference and Employee Resources Groups.

Improved employees' access to learning and data with digital tools: ULearn (e-Learning) and uDoc (employee documents).

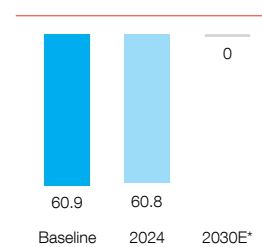
Covered 50% of our mapped spending with key and strategic suppliers using EcoVadis. 70% of our suppliers improved their overall EcoVadis score in 2024.



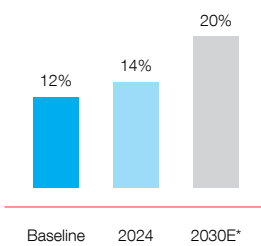
Implementing energy management systems at relevant sites (pages 21, 41)



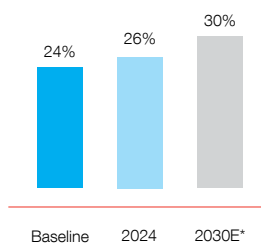
% of electrical energy from renewable sources (pages 21, 41-42)



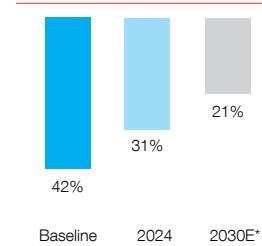
Reducing emissions in relevant operations to become climate neutral (pages 21, 46-47)



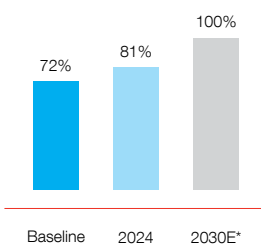
% of management and leadership roles filled by women (pages 21, 55)



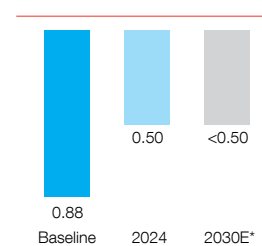
% of women in high potential talent programs (pages 21, 57)



Reducing % of disposed waste (pages 21, 43)

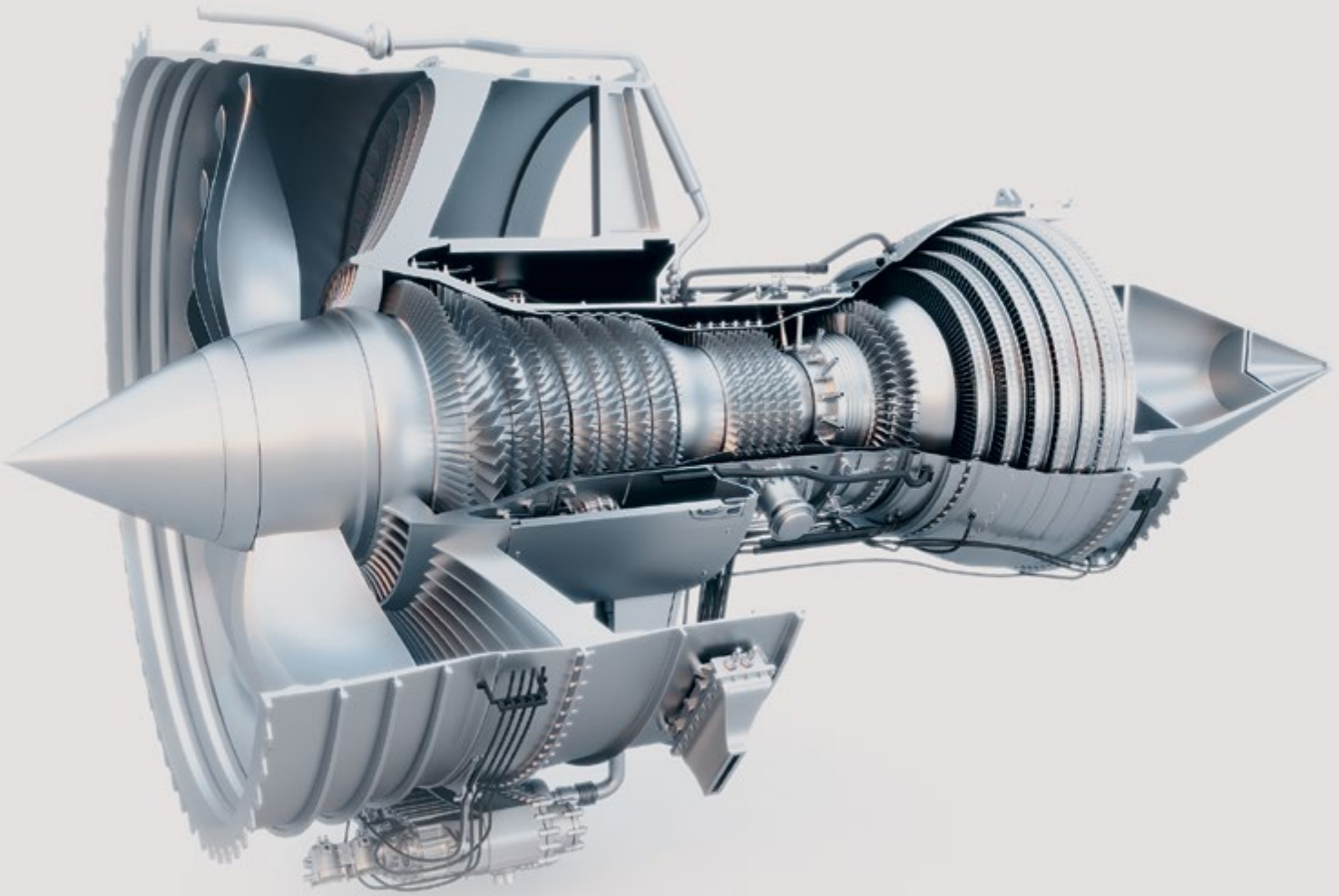


% of R&D investment in products that must cover ESG criteria (pages 21, 37-38)



Reduce rate of recordable work-related injuries (TAFR) (pages 21, 62-63)

*2030E – E stands for estimated



BALORA TECH PRO is an innovative high-temperature oxidation and corrosion barrier coating designed to enhance the durability and performance of critical components in the aerospace and power generation industries. It eliminates the need for hazardous substances such as cobalt, making it compliant with REACH regulations and a safer choice for the environment.



01

Interview with the Executive Chairman and CSO

A CONVERSATION WITH OERLIKON EXECUTIVE CHAIRMAN, MICHAEL SUESS, AND OERLIKON CHIEF SUSTAINABILITY OFFICER (CSO), GEORG STAUSBERG.

GRI 2-22

How would you describe Oerlikon's sustainability strategy?

Suess: For Oerlikon, our sustainability strategy is an inherent part of our business strategy. Our purpose has always been to empower customers with sustainable technologies. Technologies that can help them increase their efficiency and minimize their environmental footprint.

In parallel, we invest in our operational excellence to achieve the same goals – increase production efficiency, save energy and costs, reduce waste and emissions. Equally important, we work at creating a strong employee culture, making health and safety a priority and upholding an unwaveringly commitment to integrity, compliance and governance.

Stausberg: In our 2024 report, we have covered our climate-related strategy, together with the climate-related governance, risk management and targets in line with the TCFD recommendations. We completed the assessment of our climate-related physical and transition risks and opportunities and conducted our climate scenario analysis. In the report, we have shared our key findings, including mitigation measures. Based on the IPCC¹-defined worst-case climate scenario, the impacts of climate-risks are not considered to be material, and Oerlikon is well prepared to deal with the challenges.

Can you elaborate on your sustainable products?

Suess: Our DNA is strongly entrenched in innovation. Our technological innovations have always been focused on empowering our customers to increase their efficiency and improve their environmental footprint, be it in saving energy, reducing waste or lowering emissions.

We have often shared about how just two of our coating solutions – one for tools and the other for jet engines – lead to an avoidance of CO₂ emissions that exceeds the total annual CO₂ emissions in Switzerland. We have a lot more other examples, such as how our reconditioning solutions can provide 50% cost savings by extending the tools' lifespan or how our PVD coatings are more environmentally friendly and can generate up to 97% less waste compared to prevailing electroplating.

We are also proud to say that our Oerlikon Barmag's e-save program has resulted in over 15 million tons of CO₂ saved over the past 20 years for fiber and yarn manufacturers.

Stausberg: To further strengthen our portfolio of sustainable products, we have committed to invest 100% of our R&D expenditure in sustainable products by 2030. In 2024, 81% of our R&D expenditure was spent on sustainable products.

Extending tool life, reducing automotive and aerospace fuel consumption and improving the efficiency of textile and coating machinery, as well as working toward increasing the recycling of fibers and materials remain the key benefits that we will offer to customers with our sustainable products. In addition, we are exploiting digital solutions, such as artificial intelligence (AI) applications to support us in our innovations.

Our investments are not limited to developing and enhancing our equipment, products and materials. We are also applying the same approach in our own operations. Our aim is to excel in our operations, reduce our environmental footprint and improve our diversity, equity and inclusion performance as we advance toward our 2030 targets.

What milestones did Oerlikon achieve in environmental sustainability in 2024?

Stausberg: We are making very good progress in the implementation of our energy management systems (EnMs).

¹ IPCC stands for Intergovernmental Panel on Climate Change and is the United Nations body for assessing the science related to climate change.

In 2024, we added another 35 sites, bringing the total number of sites with EnMS to 123, or 74% of our operational sites. At this rate, we expect to meet our target of having 100% of our sites with EnMS in the next few years, ahead of our 2030 deadline.

We are pleased to report for the first time on our Scope 3 emissions. With an external partner, we have calculated the Scope 3 emissions generated along our value chain. The results confirm that the main contributor of our Scope 3 emissions is the Use of Sold Products by customers. This is consistent with a technology-leading engineering company that provides reliable, high-quality and long-lasting plant-size filament and non-filament machinery, hot runner solutions, as well as high-performance and durable metal-based surface coating equipment. Unfortunately, this also results in cumulative higher emissions over the years.

We have mapped out a climate transition plan and identified the measures that will help us in reducing our Scope 1, 2 and 3 emissions.

In our 2023 report, we communicated that we planned to set and commit to a Science Based Targets initiative (SBTi) target in 2024. Following our announcement to take the final step in our pure-play strategy, we have adapted our plans and intend to commit and submit to SBTi latest after the separation.

Suess: We also want to highlight our achievement in our supply chain. To date, in partnership with EcoVadis, we already cover 50% of our mapped spending from key and strategic suppliers (up from 30% in 2023). Moreover, 70% of our suppliers improved their overall 2024 EcoVadis score.

Are there any implications of your announced separation on sustainability?

Suess: We are on track with the implementation of this final transformation step and achieved an important milestone. As of January, 2025, Manmade Fibers (Polymer Processing Solutions excluding HRSflow) operates as a stand alone subsidiary and will adopt the traditional Barmag name.

Georg Stausberg will remain on the Executive Committee and as the Chief Sustainability Officer,

reporting directly to me. HRSflow will be reported as part of Surface Solutions.

In terms of sustainability strategy and products, there will be no major changes as both businesses have been and will continue to lead their markets and deliver sustainable and innovative products to customers that help save energy, reduce waste and lower emissions.

Stausberg: Operationally, both businesses are equally committed to reduce their environmental footprint, improve diversity, equality and inclusion and secure a sustainable supply chain. There is one difference worth mentioning following the split – the Scope 3 emissions in Manmade Fibers is, by nature of its business, much more heavily linked to the Use of Sold Products. This will be an area that we will work on, engaging with customers to motivate them in further reducing their emissions.

What were Oerlikon's social achievements in 2024?

Suess: In 2024, we further strengthened our diversity actions and initiatives. We organized multiple diversity events – our 4th Diversity Conference on Navigating Parenthood, Pride Month, International Women's Day and Nationality Day, among others. Our five Employee Resource Groups (ERGs), actively advocated for their groups and raised awareness at the workplace.

Stausberg: In 2024, we also launched digital solutions for employees with ULearn and uDoc. ULearn allows employees to have access to online learning anywhere, anytime and anyplace. uDoc provides access to all employees, even those who work in production, to have a digital ID and have digital access to their documents.

Are there any further impacts from regulations on Oerlikon's sustainability reporting?

Stausberg: As we have been reporting in accordance with the internationally recognized GRI Standards and the SASB Standards, we are compliant with the Swiss law, Art. 964a et seqq. of the Swiss Code of Obligations (CO). In the 2024 report, we have added disclosures according to the TCFD recommendations, in compliance with the Swiss Federal Government's Ordinance on Climate Disclosures.

Forthcoming regulations, such as EU Corporate Sustainable Reporting Directive (CSRD) and EU Taxonomy, will require additional disclosures and we are working on them.

Suess: German ministers have written to the EU commissioners and called for significant reduction of CSRD requirements and for a postponement by two years of its application. We understand the need for transparency and accountability, but we also see that the slew of new sustainability laws and regulations are weighing heavily on companies to ensure compliance. We would welcome a more aligned approach and streamlined requirements to give companies sufficient time for preparation, while not losing their focus on operational business.

How is sustainability governed at Oerlikon?

Suess: Sustainability is governed at the highest level, that is at the Board level. ESG topics are regularly on the meeting agenda of the Board of Directors and the Executive Committee, reflecting our leadership and commitment to sustainability.

As mentioned before, Georg is a member of the Executive Committee and remains our Chief Sustainability Officer until the separation. He is responsible for executing the sustainability strategy and plan, supported by the Sustainability Management Team and various functions.

To further anchor sustainability across the company, we plan to add an environmental key performance indicator (KPI) to the health and safety KPI in management and employees' short-term incentive program. We will run a pilot in 2025 to gauge its feasibility.

How do you engage with stakeholders?

Suess: Our technology leadership is built on innovation and understanding what our customers and markets need. Maintaining our leadership role is only possible when we are constantly engaging with our customers and partners, also in designing and developing technologies and solutions.

As for our employees, we will continue to communicate with them through our internal channels, such as letters from me, townhalls, engagement surveys, diversity, equity and inclusion (DEI) events and via our intranet.

Stausberg: With regard to suppliers, we have ongoing engagement with them in our audits and EcoVadis assessments to ensure that they respect and adhere to our Code of Conduct, which also strengthens our partnership with them.

In 2024, we started performing our Double Materiality Assessment (DMA) in line with the European Union's CSRD. We have obtained initial results from the comprehensive interviews and workshops with internal and external stakeholders, including investors, customers, suppliers and employees. The final results of the DMA, including the disclosure on the material topics and any new/adjusted targets will be published in the Sustainability Report 2025.

Is there anything else you would like to share?

Suess: As a group, we have performed well given the challenging market environment for both businesses. We delivered a strong operational performance in both businesses, increased our offering for new markets, such as luxury and semiconductors for Surface Solutions, and have successfully repositioned the additive manufacturing business. In Polymer Processing Solutions, our early and decisive action has paid off. Moreover, we are improving our longer-term competitiveness as we begin to shift some of our production to China.

And, we remain committed to progressing on our ESG initiatives and targets, both within Oerlikon and across our value chain. We are a sustainable company by virtue of our technology leadership and market reach. We are also equally committed to improving sustainability in our operations. We will continue to do our part in helping to reduce the global carbon footprint and contributing to society in terms of sustainability.

Both: On behalf of the Board and the Executive Committee, as well as the entire Oerlikon team, we would like to thank all our stakeholders for their support and for the trust they have placed in Oerlikon, in our sustainable strategy and in our technologies. As always, we are grateful for their collaboration and support as we progress together on our sustainability journey.



Crafted with sustainability in mind: Metal Inox zipper, with all metallic parts made of stainless steel is paired with 100% recycled polyester tape with GRS certification. GRS stands for Global Recycled Standard and is an international product certification promoted by the Textile Exchange to ensure that the content of products comes from recycled sources and respects the most responsible social, environmental and chemical practices during the manufacturing cycle.

Using 100% recycled tape reduces emissions related to polyester purchase by 32%, which translates to a 3% reduction in Oerlikon Riri's carbon footprint for zip production. In addition, this innovation's use of stainless steel improves resistance and sturdiness, thus extending the product's lifespan.

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02

Our Strategy

STRATEGY

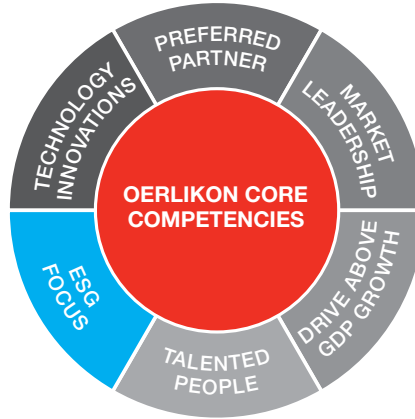
GRI 2-22

Oerlikon's strategy is to hold the number 1 or number 2 positions with our technologies in our end markets. Presently, we occupy "sweet spots" in markets with our innovative technologies, which serve as high barriers to entry.

We drive growth and profitability by leveraging our core competencies, including market leadership, innovation and talents, as well as our focus on sustainability (ESG).

Our business objective is to provide customers with solutions that make their production processes more efficient and their products more durable. This is also our vision for sustainability at Oerlikon (see graphic below).

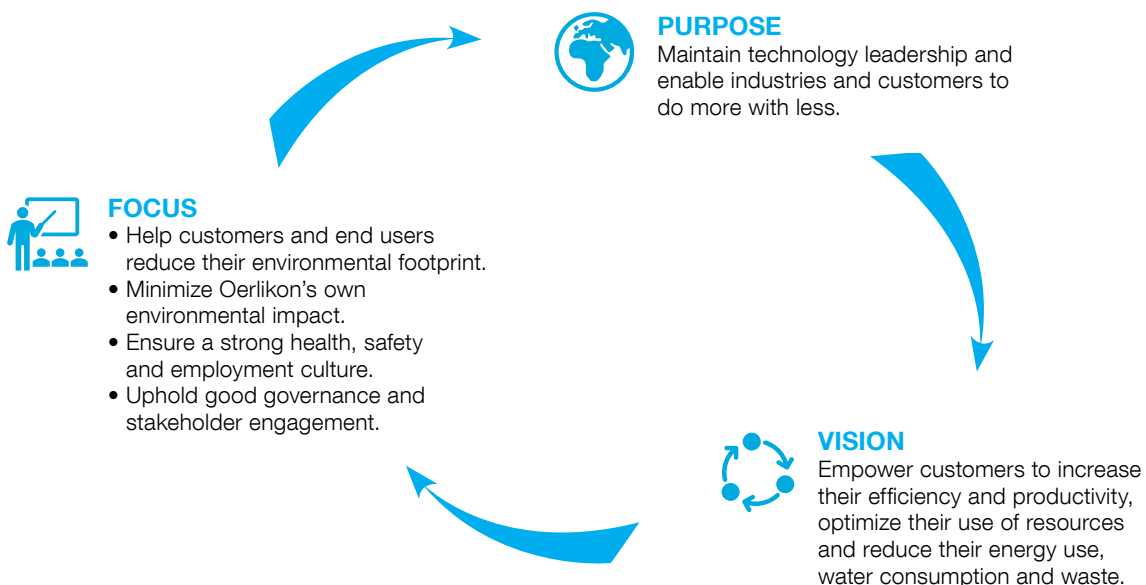
Our solutions and services, together with our advanced materials, improve and maximize the performance, function, design and sustainability of our customers' products and manufacturing processes in key industries, as well as those of their customers. By increasing efficiency, we enable



customers to optimize their resource usage, lessen their energy consumption and reduce waste and emissions.

Our innovative technologies deliver value to customers in the automotive, tooling, space, aviation, luxury, energy, general industries, textile and polymer processing sectors. As a technology leader, our solutions are widely adopted across industries, meaning that people will encounter at least one solution from Oerlikon every day. As a result, Oerlikon's solutions are positively impacting sustainability across diverse industries.

WHAT SUSTAINABILITY STANDS FOR AT OERLIKON



Our overarching purpose is to leverage our technology leadership and expand/diversify into new applications and new markets. By taking advantage of our knowledge and capabilities across additional industries, Oerlikon is able not only to drive growth in its business portfolio but also to increase its contribution to sustainability.

Moreover, at Oerlikon, sustainability stands for a relentless focus on minimizing our own environmental impact, ensuring a strong health, safety and employee culture, engaging regularly with stakeholders and upholding good governance.

Oerlikon’s strategy and actions, including for sustainability, are governed at the highest level, specifically by the Board of Directors. Underpinning the Board’s commitment to sustainability is the fact that the responsibility for sustainability has not been assigned to a Board committee but is a task of the entire Board.

For the execution of our sustainability strategy and initiatives, the Board has appointed a Chief Sustainability Officer (CSO), who is a member of the Executive Committee (EC). The CSO is supported by the Sustainability Management Team and other functions, with representatives from the strategic, operative and business levels. Ultimately, line

management needs to ensure that business activities and processes within their area of responsibility are aligned with sustainability, and each employee at Oerlikon is individually responsible for adhering to the Sustainability and Health, Safety and Environment (HSE) Policy.

The governance graphic on page 11 (below) depicts the governance structure for sustainability, and further information on sustainability governance can be found on pages 75 to 77.

Prioritizing sustainability in R&D and delivering sustainable solutions for customers will always take precedence. At the same time, we recognize the need to apply the same standards of excellence to our own operational processes and systems and to reduce the impact of our business on the environment. In this report, we provided examples of how our products contribute to sustainability, as well as the initiatives and actions that we have taken to reduce our environmental impact, improve our diversity, equity and inclusion (DEI) and strengthen our governance.

Ultimately, we are well positioned to maintain Oerlikon’s technology leadership while delivering sustainable value to all stakeholders and simultaneously creating both market and social value.

GOVERNANCE: SUSTAINABILITY EMBEDDED ACROSS OERLIKON

GRI 2-9,10,11,12



Leveraging Our Innovative and Sustainable Technology

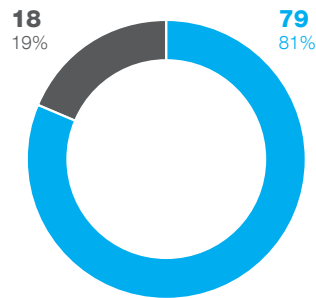
GRI 3-3

Our technologies help customers to increase efficiency and productivity while using fewer resources, such as energy and materials.

By leveraging our cutting-edge surface and polymer technologies, we can easily expand their use in new applications and growth markets. For instance, we are developing thin-film coating solutions for vehicles that are powered by batteries and fuel cells (eg. hydrogen), as well as thermal spray solutions to reduce engine weight.

For our filament solutions, we are focusing on upgrading our existing machinery and developing new products that will help customers reduce energy consumption, for example our latest DTY machine eAFK EVO. More examples of how we are expanding into growth markets can be found below and on pages 13-14 and 35-36 in this report.

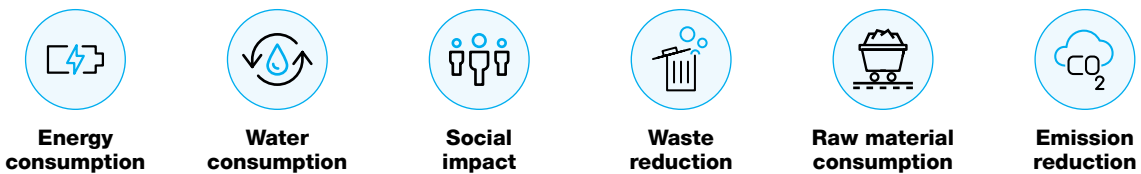
Total 2024 R&D Investment¹ in CHF million



- In sustainable products as per our defined criteria (see pages 37-39).
- In other R&D products and activities.

¹Excluding non-recurring items.

SUSTAINABILITY DRIVERS



LEVERAGING TECHNOLOGY LEADERSHIP TO EXPAND INTO GROWTH MARKETS WITH PROVEN AND NEW SOLUTIONS

Driving new coating solutions for **semiconductor** production machines

Driving growth of **lightweight** and increasingly sophisticated polymer components

Engineering solutions for **versatile rPET²** applications

Developing additive manufacturing with potential **to increase resource efficiency and reduce waste**

Accelerating **transition** of Luxury to PVD¹ coating as a **greener** technology

Developing solutions for e-mobility **heat shielding**, solid-state **batteries** and fuel cells EVs

Reducing **energy consumption** of our equipment

¹ Physical vapor deposition (PVD) is a technique used to deposit a thin layer of material on a substrate surface in a vacuum.
² rPET stands for recycled polyethylene terephthalate, referring to PET that has been used at least once, recycled and then put back into use.

Surface Solutions Sustainability Proposition

Oerlikon coatings are omnipresent in the modern world. Owing to our technology leadership, our technologies have been widely adopted across a multitude of sectors. As a result, our surface solutions have made a clearly discernible contribution to sustainability.

As customers continue to seek gains in efficiency, durability and sustainability, Oerlikon is well positioned to deliver these benefits with its surface solutions equipment, materials and services, thereby driving sales growth while simultaneously contributing to a more sustainable world.

COATINGS MAKE THE MODERN WORLD POSSIBLE

ESSENTIAL

- **Economic viability:** Coating significantly improves an item's performance and extends its lifetime; recoating/regrinding gives new life to tools.
- **Superior characteristics:** Durability, erosion protection, wear resistance, thermal stability, anti-reflection, clearance control, etc.

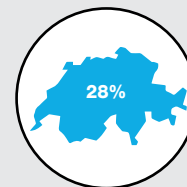
VERSATILE

- **In countless applications,** including automotive parts, jet engines, cutting and forming tools, luxury accessories, semiconductor production, gas turbines, etc.
- **Substitutes heavy materials with lightweight materials** while still offering enhanced features and functions.
- Color-coded tools facilitate clear **visual differentiation and reduce errors** in usage, resulting in less production downtime and waste.

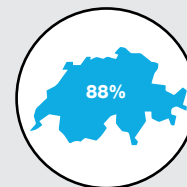
SUSTAINABLE

- **Environmentally friendly alternative** (PVD) to traditional electroplating.³
- **Reduces waste and resources** by prolonging the life span of a coated item.
- **Improves productivity and saves costs.**

VALUE PROPOSITION DRIVING SALES GROWTH



Coating **extends** a tool's **lifetime by 20x**. For the total number of tools coated by Oerlikon annually, ~8.3 million metric tons of CO₂ is avoided or **28% of Swiss CO₂ emissions**.¹



5% efficiency increase in jet engines through coatings is equivalent to ~26 million metric tons of CO₂ reduction annually² or **88% of Swiss CO₂ emissions**.¹



Coatings **enable the use of lightweight** car materials, which will extend the driving range. For a 650-km range EV that is 10% lighter, the range extends by 5–7%, equivalent to a **marathon**.

¹ A total of 29.6 million metric tons in 2022, based on the report "CO₂ statistics: Emissions from thermal and motor fuels" by the Swiss Federal Office for the Environment.

² Based on the installed base of jet engines in 2019.

³ PVD coatings conform to the EU REACH regulation and reduce hazardous waste and hexavalent chromium exposure when replacing wet bath technologies like electroplating.

Polymer Processing Solutions Sustainability Proposition

Fibers and polymers produced with Oerlikon systems are used in a broad scope of applications, from apparel and clothing to seat belts, tire cords and industrial filters. They are prevalent due to their versatility and because they are a more sustainable alternative to natural fibers.

As customers continue to seek gains in efficiency and sustainability, and with the advances in recycled fibers and biopolymers, Oerlikon's Polymer Processing Solutions are already at the forefront in delivering these solutions, driving sales growth while simultaneously contributing to a more sustainable world.

POLYMERS MAKE THE MODERN WORLD POSSIBLE

ESSENTIAL

- **Resource scarcity:** High scalability in man-made yarn production vs. capacity-constrained natural fibers.
- **Economic viability:** Competing materials are substantially more expensive.
- **Superior characteristics:** Durability, stretchiness, water resistance, stain resistance.

VERSATILE

- **In countless applications,** such as clothing, carpets, industrial filters, seat belts, tire cords, geotextiles, etc.
- **Replacing** materials, such as glass, metal and wood; reducing weight in automotive applications, such as e-mobility.

SUSTAINABLE

- **Improved ecological** impact of manmade vs. natural yarns.
- **Reducing energy consumption and waste and improving productivity** under the e-save program since 2004.
- **Recyclability** as the enabler of circularity.
- **Biopolymers** are of great interest as alternatives to fossil-based polymers.

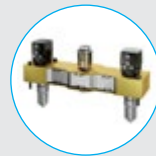
VALUE PROPOSITION DRIVING SALES GROWTH



Manmade fibers are **less resource intensive** than natural fibers and are increasingly recyclable. A polymer t-shirt **saves ~9 bathtubs of water** compared to a cotton t-shirt.



New filament equipment delivers **~30% energy saving**, which is equivalent to the annual CO₂ emission savings¹ produced by the gasoline consumption of **~500k cars per year**.



Insulating covers for hot runners reduce heat dissipation and can save **~26% of energy consumption**.

¹ Data per 2020 installed base for new vs. older generation of FDY on POY take-up and winding machinery.

Our Material Topics

DETERMINING OF MATERIAL TOPICS

GRI 3-1

In 2020, we sought input from a diverse cross-section of internal experts and external stakeholders (see table on page 19) for Oerlikon’s materiality analysis. In addition, we assessed the sustainability actions and initiatives communicated in our annual reports and benchmarked them against details published in more than 120 sustainability reports.

Our aim in conducting this research was to identify the topics, risks and trends that are most relevant to Oerlikon. We examined what has or could have an impact on Oerlikon and where, conversely, we make or could make a positive impact. We then depicted these material challenges in a materiality matrix (see page 16).

List of material topics

GRI 3-2

This endeavor enabled us to define our eight material topics, which have not changed since our (first) sustainability report for 2020:

- (i) Innovation
- (ii) Climate & energy
- (iii) Circular economy
- (iv) Health & safety
- (v) Employment practices & education
- (vi) Responsible sourcing & human rights
- (vii) Governance
- (viii) Community engagement

Recognizing the importance of these material topics to stakeholders, we have set 2030 sustainability targets for six of them (see table on page 21). The seventh topic drove our collaboration with EcoVadis to elevate our record of compliance with responsible sourcing and human rights. The eighth topic, community engagement, is presently addressed at a local level, and we are assessing how we can best create a Group-wide platform and process to ensure data quality and integrity.

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The 17 United Nations Sustainable Development Goals (SDGs) are at the heart of the 2030 Agenda for Sustainable Development and define the world we want.

At Oerlikon, we affirm both the ideals and the necessities of each of the 17 United Nations SDGs. Given the nature of our business, processes and operations, we have a greater impact on certain SDGs compared to others.

Based on where we can make the greatest difference, both in our practices and in our impact on the planet and its people, whether globally or in the communities in which we work, we have identified eight SDGs: Goal 3 Good Health and Well-Being, Goal 5 Gender Equality, Goal 7 Affordable and Clean Energy, Goal 8 Decent Work and Economic Growth, Goal 9 Industry, Innovation and Infrastructure, Goal 12 Responsible Consumption and Production, Goal 13 Climate Action and Goal 17 Partnerships for the Goals.

These eight SDGs serve as additional goals alongside our eight material topics.



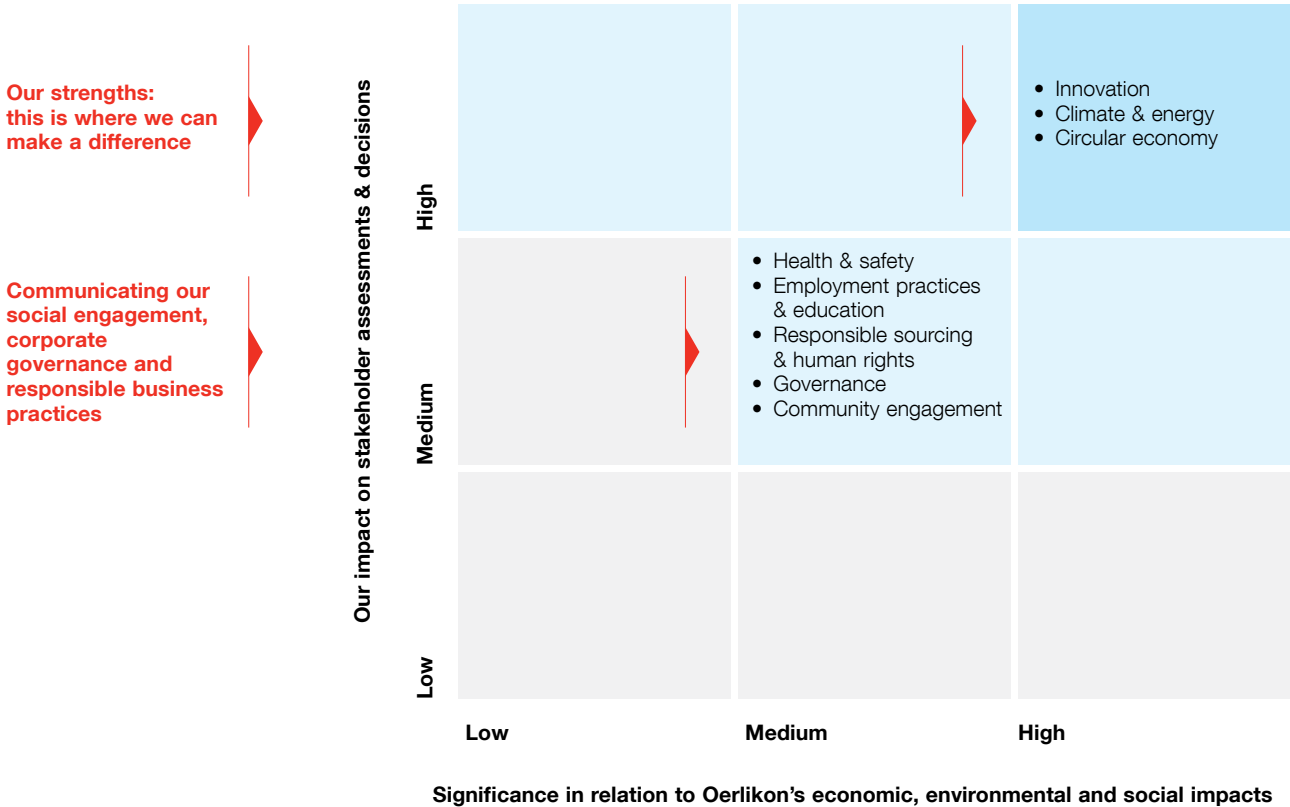
Through materiality analyses and adherence to international GRI Standards, along with our unwavering commitment to transparency, we are confident in our ability to report on our sustainability impact consistently, credibly and with full accountability to our stakeholders.

We see this sustainability report not as a means of one-way delivery of information but rather as a tool for engaging in an ongoing dialogue with our stakeholders. Integral to our sense of responsibility to each of them is a commitment to soliciting and considering their feedback and suggestions. Our efforts to understand our stakeholders' perceptions of our products, operations, practices and impact are a reflection of our belief that communication and the exchange of ideas are the building blocks for achieving consensus.

With that in mind, we intend to conduct the materiality assessment at reasonable intervals so that we can evaluate if there is a need for us to make any adjustments to our material topics.

In 2024, we have started to perform our double materiality assessment (DMA) and have the initial results following comprehensive interviews and workshops with internal and external stakeholders. The final results of the DMA, including the disclosure on the material topics and any new/adjusted targets will be published in the Sustainability Report 2025.

Material Topics for Oerlikon



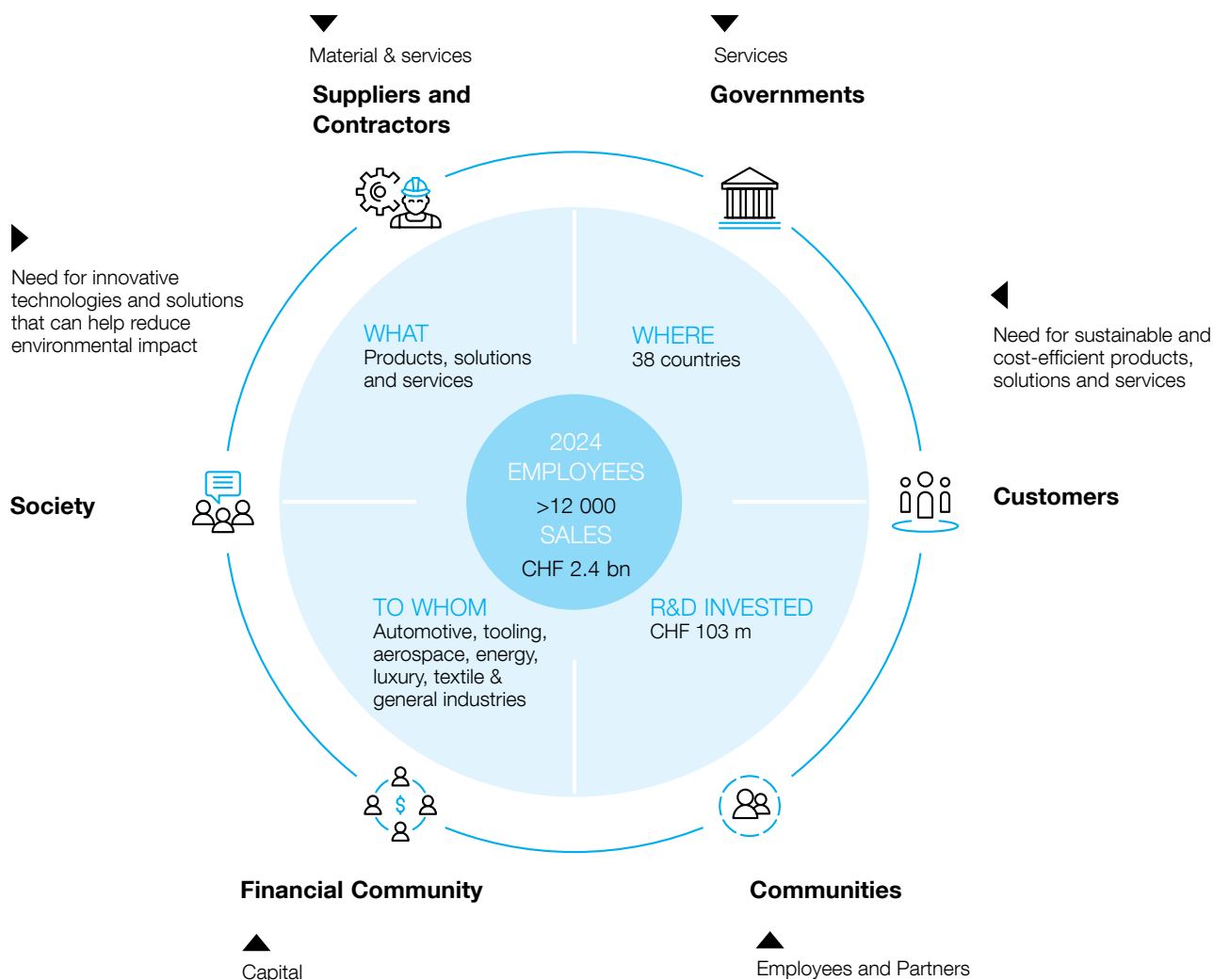
Key Stakeholders and Our Value Chain

GRI 2-6

At Oerlikon, we recognize that our relationships with all stakeholders in our value chain, such as customers, communities (employees and partners), the financial community, society, suppliers, contractors and governments, are essential to enabling us to succeed not only in pursuing our growth targets but also in making a contribution as a sustainable company.

Oerlikon's innovations serve customers in key industries, including automotive, aerospace, tooling, textile,

polymer processing, energy and general industries, and they are demanding smarter, more climate-friendly solutions. As an employer, we are committed to embracing diversity, nurturing talent and forging career development. In all our endeavors, we pledge Zero Harm to People, respect for human rights, non-use of child labor and strict adherence to anti-harassment, anti-corruption and non-discrimination, among others. We conduct our business with integrity and in a fair manner and expect the same from the partners in our value chain.



Engaging with Stakeholders

OUR APPROACH TO STAKEHOLDER ENGAGEMENT

GRI 2-29

Diverse perspectives are an important part of Oerlikon's culture because they can help us understand the needs and concerns of all stakeholders in the industries and communities we serve.

Oerlikon maintains an ongoing dialogue with its stakeholders, including employees, customers, suppliers and partners, investors and analysts, local communities, authorities and government representatives, nongovernmental organizations, academic institutions and the media.

We depend on multiple channels and processes (see the Stakeholder Engagement table on page 19) to optimize stakeholder engagement and ensure comprehensive reporting on areas that are material to the business.

In 2024, some of our shareholder engagements included:

- **Customers:** We worked closely with customers to identify innovations and upgrades to our products, materials and services that can help them save energy, reduce waste or lower emissions. For example, Oerlikon is working with a number of OEMs and Tier 1 auto suppliers to find customized solutions to resolve the risk of hydrogen embrittlement and loss of lubricity in fuel, which causes loss of ductility, high wear and increased friction.
- **Employees:** We promoted Diversity, Equity and Inclusion (DEI) and raised awareness of it through multiple events, such as the Diversity Conference, Pride Month, International Women's Day and Nationality Days. Our Employee Resource Groups advocated for the group they represent to increase the opportunities available to them within the workplace. Additionally, we embraced new

digital tools, such as ULearn and uDoc, to improve employee engagement, data accessibility and efficiencies at work.

- **Suppliers:** We completed the EcoVadis rating process for key and strategic suppliers, which collectively represent 50% of Oerlikon's mapped spend (up from 30% a year ago). Out of our suppliers, 70% improved their overall EcoVadis score in 2024, with 62% of them undergoing reassessment three or more times.
- **Double Materiality Assessment (DMA):** We have started to perform our DMA, in line with CSRD, with internal and external stakeholders, including investors, customers, suppliers and employees.

We expect our stakeholder engagement strategy to evolve further as we explore opportunities to gain insights from stakeholder consultations. This openness to feedback and even criticism plays a central role in building on our history of continuous process improvement and upholding our governance, environmental, social and sustainability standards in our work around the world.

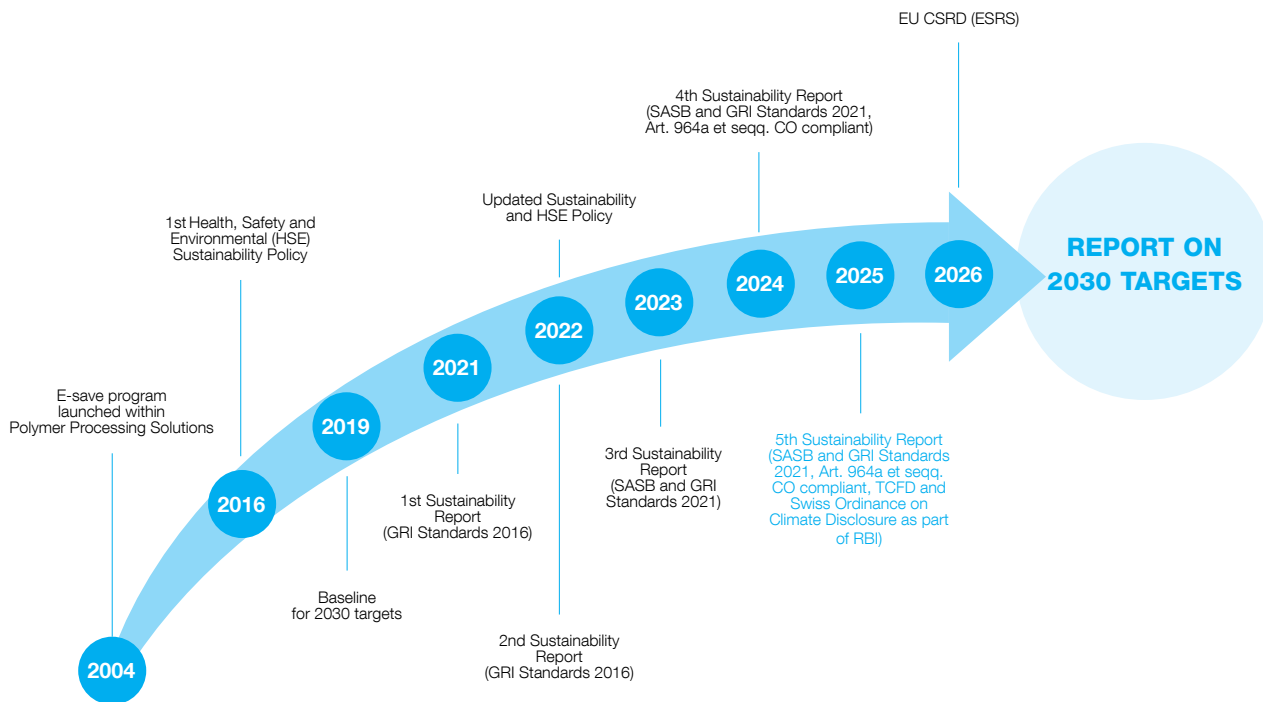
Working together with our stakeholders puts us in the best position to realize our mutually shared goals of strengthening our business, enriching human welfare and preserving the planet.

Stakeholder Engagement at Oerlikon

Stakeholders GRI 2-29	Key Concerns of Stakeholder Groups GRI 2-25, 26	Examples of Engagement GRI 2-29
Employees	<ul style="list-style-type: none"> • Corporate culture • Equality and diversity • Career advancement • Education and training • Health and safety • Environment • Community engagement • Social impact 	<ul style="list-style-type: none"> • Employee engagement surveys • Career development • In-person and virtual townhall meetings • Employee newsletters • Executive Chairman blog • Social media • Annual HSE Days • Diversity events: International Women's Day, Pride Month, Diversity Conference, Nationality Days • Employee Resource Groups • Financial incentive scheme, incl. ESG metric • uDoc • ULearn
Customers	<ul style="list-style-type: none"> • Quality of products & services • Health and safety • Environment • Competitive pricing • Accessibility and professional client management 	<ul style="list-style-type: none"> • Customer surveys • Exhibitions and customer days • Customer newsletters • Sales & marketing activities • Website • Social media • E-commerce sites
Suppliers and Partners	<ul style="list-style-type: none"> • Responsible business practices • Health and safety • Environment 	<ul style="list-style-type: none"> • Procurement policies • Supplier Code of Conduct • General terms & conditions agreement • Supplier audits and EcoVadis assessment • Compliance management, incl. case-by-case communication, along our supply chain
Investors and Analysts	<ul style="list-style-type: none"> • Accountability of strategy execution toward financial and ESG targets • Reputation and responsible business practices • Corporate governance • Risk management and compliance • Health and safety • Environment • Overall high-level disclosure quality • Capital allocation and innovation aligned with strategic ambitions 	<ul style="list-style-type: none"> • Annual shareholder meeting • Quarterly information • Roadshows, investor and analyst days • Engagement with analysts, investors, proxies and stewardship teams, including individual ESG engagement meetings • Annual report, including governance and remuneration reports • Sustainability (non-financial) report • Corporate website
Local Communities	<ul style="list-style-type: none"> • Employment • Compliance • Environment • Social Impact 	<ul style="list-style-type: none"> • Regular information to local newspapers • Social media • Local CSR and sponsoring activities • Employee-driven social projects
Authorities and Government Representatives	<ul style="list-style-type: none"> • Taxes • Responsible business practices • Compliance • Health and safety • Environment 	<ul style="list-style-type: none"> • Cooperations • Information events • Memberships in local associations • Invitation to local events • Regulatory disclosures and reports
Non-Governmental Organizations and Civil Society	<ul style="list-style-type: none"> • Environmentally and socially responsible business practices • Compliance • Health and safety • Environment 	<ul style="list-style-type: none"> • Corporate disclosure and communication • Cooperations • Information events • Invitation to local events

Accelerated Sustainability Agenda

Our sustainability transparency and commitment have advanced rapidly since our inaugural report, and they will be further strengthened in the coming years through additional disclosures as we progress toward our 2030 targets.



OUR REPORTING STANDARDS

Starting with our inaugural report, our Sustainability Reports have been prepared in accordance with GRI Standards. The 2022 Sustainability Report was completed also in accordance with the SASB Standards category: Industrial Machinery & Goods.

Since 2023, the sustainability reports are in accordance with the GRI Standards 2021, the SASB standards, and are compliant with Art. 964a et seqq. of the Swiss Code of Obligations (CO). The 2024 report also includes disclosures that are specified by the Swiss Federal Council's Ordinance on Climate Disclosures.

As regulatory and legal requirements for sustainability and sustainability-related topics grow, we are closely monitoring developments and plan to increase our disclosures and transparency with respect to our sustainability actions and initiatives.



Global Reporting Initiative

This Sustainability Report is published according to the internationally recognized GRI Standards 2021.



SASB

SASB Standards guide the disclosure of financially material sustainability information by companies to their investors. Effective August 1, 2022, the Value Reporting Foundation – home to the SASB Standards – consolidated into the IFRS Foundation, which established the first International Sustainability Standards Board (ISSB). SASB Standards now fall under the oversight of the ISSB.

TCFD

The Task Force on Climate-Related Financial Disclosures (TCFD) recommendations on climate-related financial disclosures are structured around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets. On December 15, 2023, TCFD was disbanded, and the IFRS foundation has taken over the monitoring of the progress of companies' climate-related disclosures.

Progress on 2030 ESG Targets

Based on the materiality assessment, we have set 2030 sustainability targets for six of the identified material topics and have been reporting on the progress we have made toward achieving those targets.

ENVIRONMENTAL (OWN OPERATIONS)

Priority Topics	Objective	2019	2021 ⁸	2022	2023	2024	2030 Target
Climate & Energy¹	Implementing energy management systems at all relevant sites ²	12% ^B	19%	33%	52%	74%	100%
	Increasing the share of electrical energy from renewable sources	n.a.	22% ^B	30%	35%	37%	100%
	Reducing emissions in relevant operations to become climate neutral ³	60.9 ^B	60.8	50.6	53.8	60.8	0
Circular Economy¹	Reducing the share of disposed waste	42% ^B	31%	28%	27%	31%	21%
Innovation	Increasing the share of R&D investment in products that must cover ESG criteria	n.a.	72% ^B	73% ⁴	78% ⁵	81%	100%

SOCIAL

Priority Topics	Objective	2019	2021 ⁸	2022	2023	2024	2030 Target
Employment Practices	Increasing % of women in management and leadership roles	12% ^B	12%	13%	14%	14%	20%
	Increasing % of women in high potential talent programs	24% ^B	23%	19%	22%	26%	30%
Health & Safety	Ensure Zero Harm to People – Decreasing the rate of recordable work-related injuries (TAFFR) ⁶	0.88 ^B	0.72	0.75	0.72	0.50	<0.50

GOVERNANCE

Priority Topics	Objective	2019	2021 ⁸	2022	2023	2024	2030 Target
Ethics & Compliance	Increasing completion of CoC training, including on human rights and anti-corruption, both electronically and in person ⁷ – % of employees who completed e-training	n.a.	n.a.	n.a.	n.a.	n.a.	>95%
		91%	97%	95%	96%	94%	

^B Baseline.

¹ Relevant sites are production and large office sites and exclude small offices (<50 employees). Operational sites include small offices if they reported the data. In 2024, data from 167 operational sites were consolidated, including 1 small office.

² Energy management systems include both ISO-50001-certified and Oerlikon-defined Energy Management Systems.

³ The climate neutrality target for Scope 1 & 2 emissions in all our relevant operations was defined in 2020. In 2022, we elected to use the GHG emissions intensity level, which is measured in tons of carbon dioxide equivalent per million Swiss francs of sales (tCO₂e/million CHF), as the key performance metric.

⁴ R&D investment 2021 excludes provisions.

⁵ R&D investment 2023 excludes the 2023 acquisition and reversal of accruals.

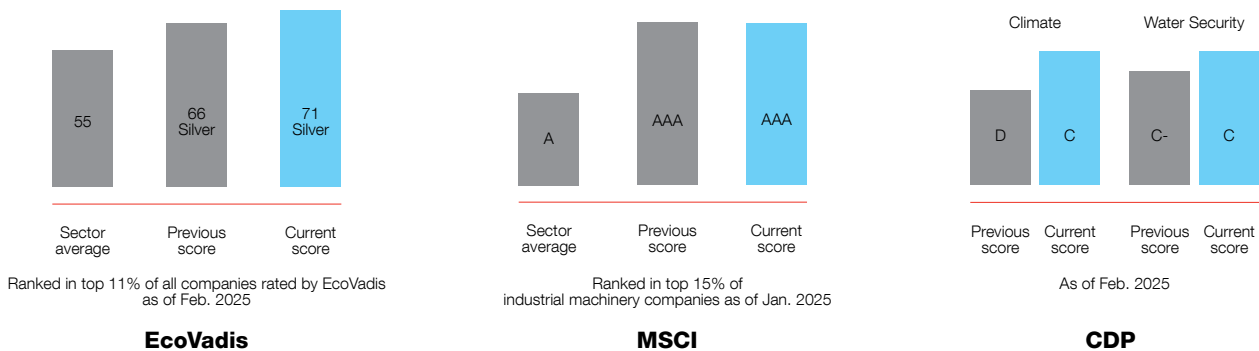
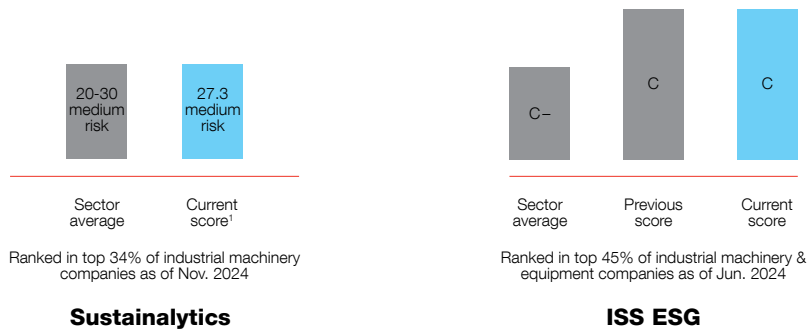
⁶ Health and safety data includes data from 180 operational sites, including 1 small site that have provided environmental data and 13 additional small offices that have also provided health and safety data.

⁷ Oerlikon plans to ensure that all employees are trained, both electronically and in person. Face-to-face training was piloted in 2022, and rollout started at Surface Solutions in 2023. The 2030 target remains unchanged.

⁸ Excluding 2021 acquisitions.

ESG Highlights in 2024

ESG RATINGS



¹ Not comparable to prior year due to methodology change.

RECOGNITION AND PARTICIPATION

GRI 2-28



EcoVadis

Oerlikon received the Silver award from EcoVadis, one of the world's leading providers of sustainability ratings for corporate social responsibility (CSR).



EqualVoice

Oerlikon is committed to the EqualVoice United initiative, which advocates gender equality and aims to increase the visibility of women in the media.



CDP

Oerlikon received a C rating for both Climate and Water Security from the CDP assessment. CDP is a globally recognized NGO that helps organizations disclose their environmental impact.



EURATEX

Oerlikon is a partner of EURATEX, the European Apparel and Textile Confederation, representing the interests of the European textile and clothing industry, which has an ambitious program to enhance sustainable growth of the European textile and clothing industry.

EMBEDDING SUSTAINABILITY IN REMUNERATION

Current

- Since 2015, our short-term incentive (STI) program includes a safety metric as a modifier for individual targets. This safety modifier serves to increase management's focus on the well-being of employees and to motivate employees to pay closer attention to safety at and outside of the workplace.
- Sustainability-related targets are directly included as part of the STI individual targets for some Executive Committee members.
- We are working toward setting explicit sustainability key performance metrics for employees.

Future

- We continually evaluate whether in addition to the current employee safety metric in the STI, there are other sustainability KPIs that may be relevant for our strategic goals and can be reliably measured. If so, we will adjust our management and employee remuneration system accordingly.
- In 2024, we further assessed which environmental, social and governance KPIs can be implemented and measured on an annual basis and have identified an environmental metric.
- In 2025, we will further refine and run a pilot trial of the identified environmental metric and intend to include this in 2026/2027 as part of management and employee remuneration packages.

SUPPLIER SUSTAINABILITY

A key stakeholder along our value chain are our suppliers. Oerlikon enters into relationships only with suppliers who agree to our Supplier Code of Conduct (SCoC) and must be able to demonstrate compliance with the rules in our SCoC, covering:

- Human rights and social standards, such as child labor, discrimination, diversity and inclusion.
- Health, safety and environmental protection, such as process security and product safety.
- Appropriate business practices, such as trade compliance and responsible sourcing of minerals and metals.
- Governance, such as risk management and access to remedy.

In 2024, we

- Audited 174 suppliers, which is around the same level as the prior year (2023: 172).
- Completed EcoVadis rating for suppliers covering 50% of our mapped spend (2023: 30%).
- Noted that 70% of our suppliers improved their overall EcoVadis score, with 62% of them undergoing reassessment three or more times.
- Achieved our 2024 goals in our sustainable procurement road map.

Further information on our responsible sourcing strategy, processes and actions can be found on pages 69-73.

Transparency on Non-Financial Matters

Sustainability has always been an integral part of Oerlikon's products and services for customers, as well as in its operations. Since its inaugural Sustainability Report 2020, Oerlikon has been transparently reporting on non-financial matters, often referred to as sustainability topics, in accordance with the GRI Standards, and since its 2022 report, also in accordance with the SASB Standards.

With Art. 964a et seqq. of the Swiss Code of Obligations (CO) coming into effect, Oerlikon continues to provide the same transparency on environmental matters, in particular CO₂ goals, social issues, employee-related issues, respect for human rights and combating corruption. To facilitate an understanding of how Oerlikon is addressing the specific topics defined by Art. 964a et seqq. of the CO, we have prepared an executive summary here and an index on page 92 for the related content.

BUSINESS MODEL

Oerlikon is a global technology leader for surface solutions, polymer processing and additive manufacturing. Our products and services, together with

our advanced materials, improve the performance, function, design and sustainability of our customers products and manufacturing process, as well as those of their customers, in key sectors, such as tooling, automotive, aerospace, luxury, energy, general industries, polymers and textiles.

Headquartered in Switzerland and servicing customers from 199 sites in 38 countries, Oerlikon occupies "sweet spots" in end markets, in which its innovative technologies serve as high barriers to entry. Leveraging its key competencies in engineering, innovation and people, Oerlikon is driving medium- to long-term growth by strengthening its market position and expanding into regions, new end markets and applications.

POLICIES AND DUE DILIGENCE

Oerlikon has several policies and directives, applicable Group-wide, which govern different aspects of sustainability. For further details on our policies and compliance with laws and regulations, see pages 79 to 84 in this report. The policies and directives can be viewed and downloaded here: www.oerlikon.com/en/sustainability/our-policies/

OERLIKON POLICIES AND DIRECTIVES

Overarching Matters	<ul style="list-style-type: none"> • Sustainability and Health, Safety & Environment (HSE) Policy • Code of Conduct • Supplier Code of Conduct • Responsible Sourcing Policy • Reporting (Whistleblowing) Policy
Environmental Matters	<ul style="list-style-type: none"> • Sustainability and HSE Policy
Social and Employee-Related Matters	<ul style="list-style-type: none"> • Non-Discrimination and Anti-Harassment Policy • Sustainability and HSE Policy
Respect for Human Rights	<ul style="list-style-type: none"> • Policy Against Human Trafficking and Slavery • Policy Against the Use of Child Labor • Human Rights Statement • UK Slavery and Human Trafficking Statement
Anti-Corruption	<ul style="list-style-type: none"> • Directive on Anti-Corruption and Anti-Bribery • Policy on Avoiding Conflict of Interest • Policy on Global Antitrust Compliance • Directive on Unannounced Inspections

CONFLICT MINERALS

Under the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDTrO), companies or groups that import and process quantities of minerals and metals, such as tin, tantalum, tungsten or gold (3TG), in excess of certain thresholds are subject to due diligence and reporting requirements. A company or group is exempt from these requirements if the minerals and metals do not originate from conflict-affected or high-risk areas.

Oerlikon monitors, reviews and documents its metal and mineral activities on a regular basis, including with respect to whether they are conflict-related. Based on the results of these regular monitoring activities, Oerlikon has concluded that it is exempted from the due diligence and reporting obligations under Art. 964j et seqq. of the CO.

CHILD LABOR

Under the DDTrO, companies are obliged to check whether there are reasonable grounds to suspect child labor and, if such grounds exist, to adhere to the due diligence and reporting obligations. Companies are exempted from this obligation if they can prove that the services and products provided to them originate from countries with a low risk of child labor.

Oerlikon monitors, reviews and documents its supply chain regularly regarding any suspicion of child labor. Based on the result of these regular monitoring activities and checks, Oerlikon has concluded that it is exempted from the due diligence and reporting obligations under Art. 964j et seqq. of the CO.

MAIN RISKS AND MEASURES UNDERTAKEN

Oerlikon takes a company-wide, holistic approach to the identification, assessment and management of business risks. All organizational units and their business processes and projects are evaluated across the entire spectrum of market, credit, operational and sustainability risks.

Oerlikon uses a Risk Management System to integrate risk management within the company's executive ranks and organizational structure. The Board

of Directors has defined five primary objectives for the Risk Management System:

1. Secure the company's continued existence and profitability by creating a transparent risk profile and continuously improving and monitoring it.
2. Contribute to improving planning and supporting the better achievement of targets.
3. Secure revenue and reduce potential risk-related expenses, which safeguards and enhances the company's value.
4. Align total risk exposure with the company's risk-bearing capacity and ensure that the risk-return ratio of business activities is transparent.
5. Protect the company's reputation.

OPERATIONAL AND SUSTAINABILITY RISKS

With regard to operational and sustainability risks Oerlikon's risk management covers:

- Market risks, including foreign currency effects, global economy developments, geopolitical events and sector-specific risks.
- Technology risks, including market acceptance and uptake, costs and warranties.
- Policy and legal risks, including competition and anti-trust law, patent law, tax law, environmental protection law, trade control law, data protection law and compliance.
- Reputation risks.
- Credit risks.
- Operational risks, including personnel, supply chain and IT security.
- Climate-related risks, including physical and transition risks.

Further details on operational and sustainability risks, including climate-related risks, can be found in the TCFD section of this report (pages 27 to 33) and on pages 73-75 in the Annual Report 2024.

RISKS RELATED TO BUSINESS RELATIONS

We address the main risks and required measures regarding suppliers by way of our collaboration with EcoVadis. The EcoVadis methodology covers 21 ESG criteria (see box on page 72). Similarly, the 21 ESG criteria in the EcoVadis methodology provide us with the framework for addressing anticorruption risks and measures, including ethics, anti-competitive practices and responsible information management.

For conflict minerals, Oerlikon complies with the EU's Conflict Minerals Regulation (2017/821), and it had already taken steps that anticipated its concerns. We have instituted a Conflict Mineral policy and voluntarily implemented due diligence measures across our supply chain, such as those advocated by the OECD in its Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, as well as US legislation.

In keeping with our commitment to corporate responsibility and upholding human rights across all operations, we seek to ensure that our suppliers' source 3TG minerals exclusively from mines in conflict-free areas.

We expect our suppliers to establish and implement policies and due diligence measures that assure they supply us with conflict-free 3TG products and components in compliance with the Responsible Business Alliance (RBA) Code of Conduct and our Responsible Sourcing Policy. For further details on supply chain risk, please refer to pages 69 to 73 in this report.

MAIN PERFORMANCE INDICATORS

Oerlikon set sustainability targets for 2030 and has been reporting on their progress in the company's sustainability report that it publishes annually. The targets addressing Art. 964a et seqq. of the CO are depicted in the table below. For further details on the targets and their progress, see pages 3 and 21 of this report.

2030 TARGETS

Environmental Matters	Five environmental targets for 2030: <ul style="list-style-type: none"> • Implementing energy management systems at all relevant sites. • Increasing share of electricity from renewable sources. • Becoming climate neutral in relevant options. • Reducing the share of disposed waste. • Increasing the share of R&D investment in products that contribute to ESG.
Social and Employee-Related Matters	Two diversity targets and one health & safety target for 2030: <ul style="list-style-type: none"> • Increasing % of women in management and leadership. • Increasing % of women in high-potential talent programs. • Ensuring zero harm to people.
Respect for Human Rights and Anti-Corruption	A 2030 target requiring employees to complete their training on Oerlikon's CoC, which is intended to ensure ethical compliance and correct behavior, including on human rights and anti-corruption topics: <ul style="list-style-type: none"> • >95% of employees are to complete CoC training both electronically and in person

REPORTING SCOPE

The sustainability report is prepared in accordance with GRI Standards 2021, SASB Standards and is compliant with the Art. 964a et seqq. of the CO, including the Swiss Ordinance on Climate Disclosures. This means that the report includes disclosures based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

The annual report and sustainability report cover all wholly owned and majority-owned entities. Oerlikon's 2024 annual report and sustainability report are published in English and are available at <https://www.oerlikon.com/en/investors/reports-publications>.

ASSURANCE AND APPROVAL

PricewaterhouseCoopers AG has provided limited assurance on 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) for the period ended 31 December 2024. The independent practitioner's limited assurance report can be found on pages 104 to 106.

The Sustainability Report 2024 has been approved by the BoD and will be put to a binding vote by shareholders at Oerlikon's 2025 AGM, which will be held at ENTRA, Rapperswil-Jona on April 1, 2025.

TCFD Report

GOVERNANCE ON CLIMATE-RELATED RISKS & OPPORTUNITIES

Oerlikon's Board of Directors oversees and endorses the sustainability strategy, plans and targets, including climate-related targets. In accordance with Swiss stock corporation law, the Board of Directors has overall responsibility for supervising risk management, including the management of climate-related risks.

Supported by the Audit & Finance Committee, the Board monitors the Group's risk profile based on internal reporting.

Sustainability is an integral part of the Board's agenda throughout the year, and the Board dedicates significant time for the purpose of establishing the overall guidance for the Oerlikon Group's sustainability strategy, including the strategy for climate-related risks and opportunities.

The Board also delegates specific sustainability topics to its committees and has mandated a dedicated Chief Sustainability Officer (CSO), who is a member of the Executive Committee (EC) and reports to the Executive Chairman, to monitor, align and execute the sustainability strategy.

Led by the CSO, the execution and implementation of the sustainability strategy, actions, initiatives and measures are supported by the Sustainability Management Team (SMT). The SMT consists of members from key sustainability functions within Oerlikon, including operational sustainability, environmental sustainability, HR, procurement, health and safety, governance, compliance, investor relations and communications.

For further details pertaining to the governance, structure, body and approach for sustainability, please refer to pages 75 to 77 of this report.

CLIMATE-RELATED STRATEGY

Climate-related risks and opportunities are planned to be integrated in Oerlikon Group's risk management process and subjected to the same objectives, governance, approach, monitoring and

reporting. Risks and opportunities that have been classified as material are addressed and mitigation measures identified as part of the company's strategy and business operations.

Our climate-related risks and opportunities have been identified following a detailed analysis of climate-related physical and transition risks and opportunities in Oerlikon's operations for the near-term (2030–2040) and mid-term (2040–2050) as defined by the United Nations' Intergovernmental Panel on Climate Change (IPCC).

Climate-Related Physical Risks

Physical risks are risks attributed to direct effects of climate change and can present itself in the form of extreme weather, such as hurricanes, earthquakes, droughts or floods. The occurrence of such events can result in damages of property and machinery or disruptions of operations and supply chain, which can have financial implications for the company.

Identifying and Assessing Physical Risks

In 2024, an internal survey was conducted to collect information about physical climate-related events and their financial impacts over the past 10 years. A total of 156 out of 164 sites participated in the survey, corresponding to a coverage of more than 98% of insured assets, machineries and equipment and business interruption.

To identify the relevant physical climate hazards to Oerlikon, the following parameters were considered:

1. If they are relevant to Oerlikon activities and sector. For example, changing temperature, temperature variability, permafrost thawing, changing wind patterns, changing precipitation patterns, ocean acidification, saline intrusion, drought, heavy precipitation and glacial lake outburst are not considered relevant to Oerlikon in its own operations.
2. Weather events known by terms different from tornados and storms are treated as a similar hazard, e.g. cyclones, typhoons, blizzards and tropical storms.
3. If the magnitude of a hazard in a relevant region is identified as significant (according to the IPCC scenarios), it is considered a relevant hazard even if it is not reported in the internal survey.

Based on the survey results, we have identified the potential climate-related hazards that some of our sites have an exposure to (see table Climate-Related Hazards Relevant to Oerlikon Sites below).

In conclusion, the key findings on our physical risks for the past 10 years are as follows:

- Four potential hazards – heat stress/wave, tornados (incl. hurricanes, heavy storms and cyclones), water stress and floods – have been identified as a risk at some sites.
- A total of 10 sites were identified as having potential exposure due to their location in flood prone areas. None of these sites have reported any adverse event or damages in the past.
- No major damage to assets, including machineries and equipment, were reported.
- The total financial impact of climate-related events reported was less than CHF 1 million.
- Around 60% of the reported financial impacts was attributed to damages of public critical infrastructure (e.g., electricity, internet and water cut off).

Although potential hazards are expected to intensify due to climate change, our current assessment of our physical climate-related risks based on the observations from the past 10 years concludes that these risks are not expected to have material financial impacts in the near- and mid-term.

Climate-Related Transition Risks & Opportunities

Climate-related risks and opportunities related to the transition to a lower-carbon economy are evaluated

based on the following TCFD-defined categories:

- Market and Technology Shifts: Mega/market trends, new/disruptive technologies
- Policy and Legal: Policies, regulations, pricing, licenses, liabilities
- Reputation: Brand value, credibility/trust in company/management

Identifying and Assessing Transition Risks

In 2024, we identified and assessed transition risks and opportunities through online structured meetings and roundtable discussions with subject matter experts. The identified risks, their potential impacts and how Oerlikon responds can be seen in the table Transition Risks and Measures on page 29.

Following the analysis of the main risks and opportunities of the different categories according to TCFD, the key findings for our climate-related transition risks are as follows:

- Highest climate-related transition risk: A transition to lower emissions technology. Based on certain assumptions, the estimated impact of this risk on EBIT could be less than CHF 1 million and up to a maximum of CHF 14 million, depending on the scenario and time horizon (e.g. for the replacement of more efficient equipment).
- Climate-related transition opportunity: There is a potential increase in profit that could arise from the switch to EVs. This opportunity could translate to an increase in EBIT in the range of CHF 4 million to CHF 9 million depending on the scenario and time horizon.

Climate-Related Hazards/Risks Relevant to Oerlikon Sites

Climate-related hazards	How can it affect companies directly and indirectly?
Heat stress/wave	Heat impairs physical and mental performance - especially in non-air-conditioned rooms or when working outdoors. Heat can also damage materials (e.g. through deformation) and thus lead to the impairment of means of production and infrastructure.
Cyclones, hurricanes, typhoons	Storms and tornadoes can cause severe damages on infrastructures and buildings and thus interrupt supply chains or production processes. Tornadoes can cause severe damages on infrastructures and buildings and thus interrupt supply chains or production processes.
Storms (including blizzards, dust)	
Tornados	
Water stress	Production loss due to lack of water.
Floods (coastal, fluvial, pluvial, ground water)	Can cause damage to buildings and infrastructure as well as to agriculture.

Transition Risks and Measures

Risk type (as defined by TCFD)	Potential impact on Oerlikon	Potential or current response in Oerlikon
Market Shifts Scenario		
a) Changing customer behavior	Demand shift to other technologies (e.g. EVs) or more conscious consumption (e.g. Air travels, longer life-time products) can negatively impact business exposed to current legacy technologies, but at same time create new business opportunities to leverage coating solutions to address new industries' requirements.	Stronger innovation focus (R&D, Product Introduction) to develop and introduce solutions to the market that are in line with the observed shifts in customer's requirements.
b) Increased cost of raw materials/labor	Potentially impacting margin expectations depending case by case on the ability to pass through costs increases to customers.	Diligently negotiate price increases with the customers to partially offset increased labor costs. Constant R&D search for lower costs / similar performance substitute raw materials. Increasing investments in digitalization and automation.
Technology Shifts Scenarios		
a) Unsuccessful investment in new technologies	Subject to the size of the project, it can have a significant impairment impact in case a project is stopped.	Capital allocation framework implemented at Oerlikon limits this risk as it integrates ESG criteria, commerciality and regular portfolio review ensure unsuccessful investment is stopped.
b) Substitution of existing products and services with lower emissions options / Costs to transition to lower emissions technology	Need to have new equipment with better performance and leading to impairment of existing equipment, leading to strong financial impact.	Annual capex program with an amount in the low double-digit million are invested for regular replacement of older equipment and/or upgrade.
Policy and Legal Scenarios		
a) Increase pricing of GHG emissions	Oerlikon GHG emissions intensity is low compared to other industries. We also target 0 GHG emission by 2030, i.e. impact is very limited in the medium term and long term.	Main source of GHG emission (Scope 1&2) comes from electricity consumption, target plan includes switch to green electricity with our suppliers, install renewable source of energy on our sites such as solar panels, heat pumps.
b) Enhanced emissions-reporting obligations	New reporting obligations would incur some potential consulting costs, develop new models.	Market screening, contracts with third party advisor to anticipate and plan such additional requirement.
c) Mandates on and regulation of existing products and services	As we already apply ESG criteria in our R&D investments and target 100% by 2030, it is integrated in our strategy. Certain activities or products, however, could potentially be stopped due to change in regulations.	Develop alternative to existing product, which would incur additional R&D costs and potential loss of revenue.
d) Exposure to litigation	In the case when Oerlikon does not comply with reporting obligations, authorities may fine the company for not complying with laws. In addition, external stakeholders may sue the company for no/limited actions to fight against global warming.	Screen new regulations, process/conclusions of analysis endorsed by external advisor/auditor.
Reputation Scenarios		
a) Shifts in consumer preferences	Oerlikon's customers could be discontented with certain aspects of certain Oerlikon products, impacting Oerlikon's business.	Diversify end markets and research for new application through R&D (e-mobility, alternative technology more sustainable to replace processes) and strengthen technology leadership.
b) Stigmatization of sector	Oerlikon serves a broad base of sectors including automotive, aerospace, tooling, energy, textiles and polymer solutions. Some sectors are negatively associated in terms of sustainability (e.g. oil and gas, defense, polyester).	Continuous engagement with stakeholders to collect feedback and answer their concerns.
c) Increased stakeholder concern or negative stakeholder feedback		Clear communication on actions taken to reduce emissions and steps toward net zero.

Climate-Scenario Analysis

For the forward-looking analysis, we applied the publicly available scenarios from the IPCC Sixth Assessment Report (AR6), Network for Greening the Financial System (NGFS) and the International Energy Agency (IEA).

Specifically, we considered the 3 scenarios derived from IPCC:

1. **Late, uncoordinated action**, leading to a hot house world (rise of 4.4°C by 2100).
2. **Delayed, decisive action**, leading to stabilization of global warming by 2050.
3. **Early, effective action**, leading to 1.5°C temperature increase by 2100 (Paris Agreement).

The time horizons that we applied for the analysis were 2030-2040 for the near term and 2040-2050 for the mid-term, in line with what has been defined by the IPCC AR6.

Physical Climate-Related Impact Analysis – 4.4°C Trajectory in 2050

According to the IPCC AR6, physical risks related to global warming will continue for at least a few decades. With every additional increase in global warming, physical risks could increase in terms of frequency and intensity across the world and over time.

Financial Impact of Climate-Related Physical Risks Based on Historical Impacts and IPCC's SSP5-8.5 Scenario

Risk type	Potential impact on Oerlikon	Relevant IPCC Regions	Change in near- and mid term (IPCC SSP5-8.5 scenario)	Estimated Near-term (2030-40) Impact ¹	Estimated Mid-term (2040-50) Impact ¹	Oerlikon Response
Heat Stress/Wave	Negative impact on employee's health & demand for new equipment and energy for cooling systems in process and buildings	<ul style="list-style-type: none"> • Central and Western Europe, • Mediterranean, • South, Southeastern, and East Asia, • Southern Australia, • Northern Central America 	Increase (high confidence)	Low	Low	All assets, Machineries and Equipment (M&E), and Business Interruption (BI) are insured
Water Stress	Business interruption due to lack of sufficient water	<ul style="list-style-type: none"> • Mediterranean • Southern Australia, • Northern Central America 	Increase (medium confidence)	Low	Low	All assets, Machineries and Equipment (M&E), and Business Interruption (BI) are insured
Flood	Damage to assets and critical public infrastructure (potentially) leading to business interruption	<ul style="list-style-type: none"> • Central and Western Europe, • South, Southeastern, and East Asia, • Northern America • Southern South America 	Increase (high confidence)	Low	Low	All assets, Machineries and Equipment (M&E), and Business Interruption (BI) are insured
Heavy tropical Storms	Damage to assets and critical public infrastructure (potentially) leading to business interruption	<ul style="list-style-type: none"> • North America, • South and Southeast Asia. 	Increase (medium confidence)	Low	Low	All assets, Machineries and Equipment (M&E), and Business Interruption (BI) are insured

¹ Financial impact on EBIT (in CHF million): Low = < 6.7; Medium = 6.7–13.5; High = 13.5–20; Very High = > 20; NQ = Not Quantified.

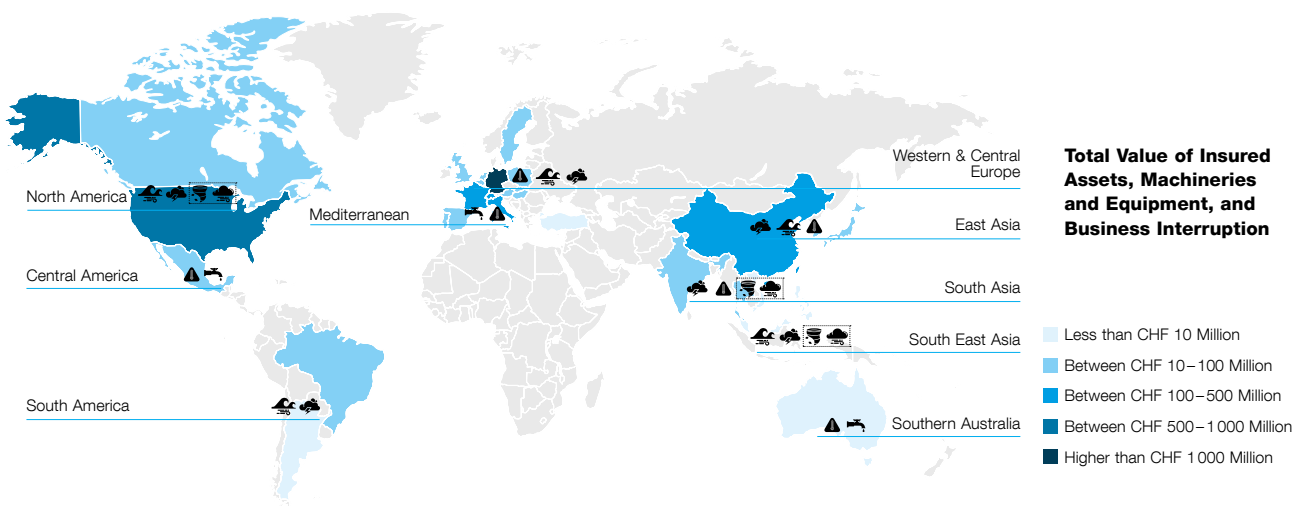
At Oerlikon, we operate 199 sites globally and the physical risks will vary depending on the geographical location. Based on the 4.4°C trajectory in 2050, we have identified and assessed the potential impact of the four hazards on Oerlikon and our sites over the near- and mid-term (see Table: Financial Impact of Climate-Related Physical Risks Based on Historical Impacts and IPCC’s SSP5-8.5 Scenario). The conclusion from the analysis is that the financial impact of these four hazards on Oerlikon’s EBIT are low (less than CHF 6.7 million) and thus not material to Oerlikon.

We have also mapped out the exposure, risks and intensity of climate-related hazards in the countries in which Oerlikon operates (see map below: Potential Exposure to Physical Climate-Related Hazards). The map also shows the value of the insurance coverage that Oerlikon has in place for assets, machineries and equipment (M&E), as well as for business interruption (BI) in these countries, confirming that we are well covered by insurance for potential hazards.

In summary, the key findings of the forward-looking analysis and the projected financial impacts related to physical climate risks are as follows:

- Even considering the increase in the magnitude of climate-related risks in the worst-case climate scenario (IPCC’s SSP5-8.5), their impacts are not expected to be material in the near- or mid-term.
- Oerlikon is well covered by insurance for damages to assets, M&E and BI at our sites that could be caused by potential hazards.
- In the near-term and mid-term, the intensity and frequency of extreme climate-related events might increase, which could lead to an increase in insurance premiums for assets, M&E, and BI. Oerlikon intends to evaluate the potential impact of climate change on insurance premiums in the near and mid-term future.
- To gain a more comprehensive picture, Oerlikon intends to assess the impact of climate change of Oerlikon's value chain on Oerlikon business.

Potential Exposure to Physical Climate-Related Hazards Based on SSP5-8.5, 4.4°C Scenario, 2050



Projected Changes in Relevant Hazards in Relevant IPCC Regions

- The number of deaths and people at risk of heat stress will increase (high confidence).
- Water stress will increase due to the increase of hydrological and agricultural and ecological droughts (medium confidence).
- Projected increase in pluvial flooding at global warming of 1.5°C (medium confidence) and 2°C and above (high confidence).
- Increasing trend in river flooding and projected further increase at 2°C and above of global warming (high confidence).
- Increasing trend in the intensification and number of strong tropical storms (medium confidence).

As global temperatures rise, acute physical risks are more likely to occur and may become more severe. Additionally, new risks may emerge. We will continue to regularly assess our long-term and near-term climate risks and opportunities in our operations and in our value chain and report on them.

These analyses will provide us with the valuable data to support us in managing and mitigating our climate impacts and risks and taking actions to benefit from opportunities. They also serve as a basis for us in assessing our options and costs, as well as for setting meaningful targets.

CLIMATE TRANSITION PLAN

At Oerlikon, we are continuously measuring our Scope 1, 2 and 3 emissions and planning for how we can reduce these for a more sustainable future (see Route to Climate Impact Reduction).

In line with an engineering and technology company that provides durable and reliable large-scale machinery and systems to customers, our Scope 3 emissions are by far the largest contributor of our GHG emissions (>95% in 2024). In 2024, Scope 1 and Scope 2 emissions accounted for 0.08% and 0.56% of our total GHG emissions, respectively.





















We recognize our environmental responsibilities and aim to reduce our emissions impact across all three Scopes.

To address Scope 1, we have taken various measures to reduce our energy consumption, ranging from implementing Energy Management Systems to switching to e-vehicles and LED lightings or installing solar panels. Our plan is to continue increasing energy efficiency and by switching fuels for heaters and vehicles and further implementing measures to improve processes.

The decrease in energy consumed by our operations will result in less energy that need to be purchased, which will support us in reducing Scope 2 emissions. In addition, we are focusing on switching to purchase more electricity from renewable sources. We have prepared a renewable energy roadmap that will serve to help us identifying the options and opportunities in the countries and areas where our sites are located.

For Scope 3, we have identified two areas that we can work on: (1) Increasing energy efficiency of our products by 2% annually, which is supported by another of our 2030 target to invest 100% of our R&D in sustainable products. (2) Engaging with

ROUTE TO CLIMATE IMPACT REDUCTION

	Scope 1	Scope 2	Scope 3	Offsets	2030 Target	2050 Target	
Main Categories	 Operational innovations Technical/cost-effective solutions for processes that today require GHG emissions	 Logistics, travel, etc. Reduce travel, digitalization, efficient logistics, etc.	 Procure non-GHG electricity Switch to renewable sources	 Purchased goods and services	 Fuel and energy-related emissions	 Upstream transportation and distribution	
			 Use of sold products	 Processing of sold products			
2024 CO₂e Emissions	18.3kt	125.8kt	22217.4kt		 Climate Neutral 2030 For Scope 1 & 2 emissions	 Net Zero 2050 Aligned with Switzerland's Long-Term Climate Strategy	
Measures	 Fuel switch: electrify heaters	 Fuel switch: electrify vehicles	 Renewable Energy 100 Roadmap to be accordingly implemented	 Product efficiency	 Customer engagement	 Offset Scope 1 and 2 remainder Oerlikon may seek to offset the remaining emissions	
	 Energy efficiency measures for heating	 Energy efficiency measures for processes	 Benefit from grid greening	 Benefit from grid greening			

customers to motivate them to switch to green energy and reduce their emissions. Although we have limited control of customers' decisions, we aim to influence them, particularly through our customer-facing teams, to raise their awareness on the options and benefits so as to motivate them to switch. At the same time, we expect to benefit from grid greening as countries increase their renewable energy capacity and availability.

Underlying our ambition for Scope 1 and 2 is a target we set in 2020. We have committed to achieving climate-neutral operations, encompassing Scope 1 and 2 emissions, across all relevant sites by 2030.

Over the long-term, our Climate Transition Plan is aligned with Switzerland's long-term climate strategy to reach net zero by 2050, in accordance with the Paris Agreement's highest possible ambition.

We intend to set science-based targets for Scope 1, 2 and 3. As we are currently preparing for the separation of our manmade fibers business, which has a material impact on Scope 3 emissions, we plan to commit and submit to SBTi latest after the separation.

CLIMATE-RELATED RISK MANAGEMENT

We take a company-wide, holistic approach to the identification, assessment and management of business and climate-related risks. All organizational units and their business processes and projects are evaluated across the entire spectrum of market, credit, operational, sustainability and climate risks. We use a Risk Management System to integrate risk management within the company's executive ranks and organizational structure.

The processes for identifying climate-related physical and transition risks are described in detail under their respective sections in this report (see pages 27 to 29).

In general, all our operational sites have workplace emergency preparedness, and protocols in place for unexpected emergencies, as well as crisis plans to ensure business continuity. The sites also work closely with insurance providers to identify and assess the risks to our assets, property and operations.

We operate a worldwide supply chain management network with employees dedicated to this function in our divisions, business areas and in key countries. Upstream climate change risks and opportunities are also considered and analyzed in our assessment of upstream scope 3 emissions, where we identify the climate impact of all relevant scope 3 categories.

CLIMATE-RELATED METRICS AND TARGETS

As part of our responsibility to contribute to mitigating the effects of climate change, we have set 5 climate-related 2030 targets since our inaugural report.

We have committed:

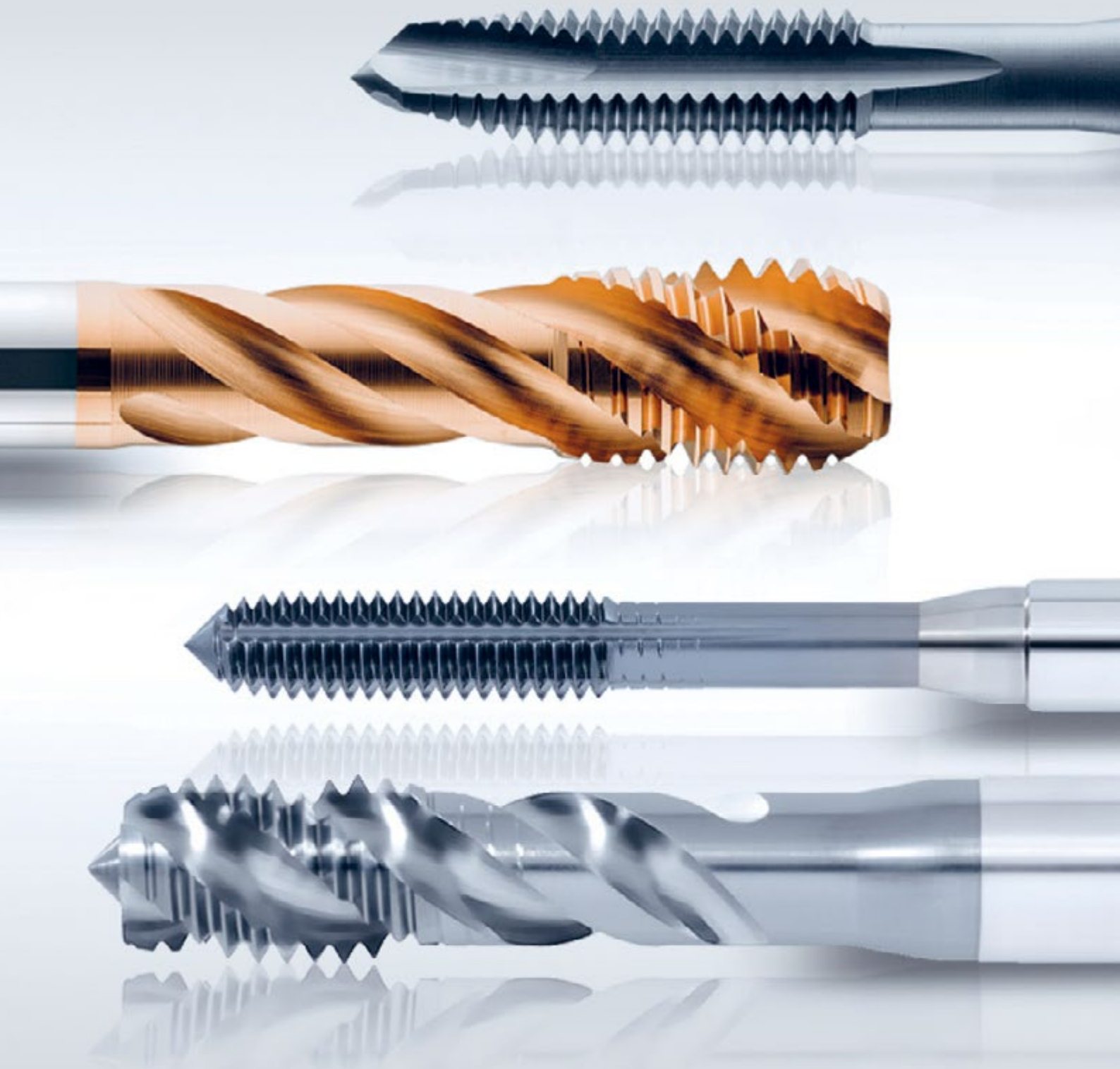
1. To implement Energy Management Systems (EnMS) at 100% of our relevant sites
2. To derive electrical energy solely (100%) from renewable sources
3. To achieve climate neutrality for Scope 1 and 2 emissions in 100% of our relevant operations
4. To reduce the share of disposed waste by half
5. To increase our share of R&D investment in sustainable products

We are progressing well on these five climate-related targets, which we report annually in our sustainability reports.

For the first time, we have disclosed our Scope 3 emissions for all relevant categories (see pages 48 to 50 in this report) and intend to commit and submit to Science Based Targets Initiative (SBTi) latest after the separation of the manmade fibers business.

To facilitate our further progress toward our climate-related targets, we have developed a Climate Transition Plan (see pages 32-33 in this report), in which we have identified areas where we can change or address to reduce our emissions and thus, reduce our risks. The plan will also serve as a basis for our later SBTi commitment and submission.

03 Our Environmental Commitment



03

Sustainable Products

GRI 3-3

SDGS IN FOCUS:



SIGNIFICANT INDIRECT ECONOMIC IMPACTS

GRI 203-2

At Oerlikon, our strategy is to pursue sustainable innovation in collaboration with our customers so that they, their customers and industries are empowered to increase efficiency, optimize resource use, reduce waste, and/or decrease energy and water consumption.

As the global population continues to grow and is projected to exceed 10 billion by 2100, the middle class will further spark rising demand for energy, food, clothing and other consumer products. As a consequence, international trade will respond to this lifestyle trend and trigger the need for manufacturing solutions that are efficient, productive, profitable and designed to support a sustainable circular economy.

SUSTAINABLE PRODUCTS

As a leading global technology company, we engineer solutions that contribute to a more sustainable planet. With our global footprint, we operate 199 sites in 38 countries, providing jobs for more than 12 000 employees.

We serve a broad scope of end markets, including tooling, automotive, aerospace, luxury, energy, polymer processing and textiles. With a portfolio of equipment, components and services that encompasses surface engineering, advanced materials and fiber production, we promote greater efficiency in energy consumption, longer lives for equipment, tools and luxury accessories, increased usage of recycled fibers and materials, and reduction of waste and CO₂ emissions.

A large number of our products and solutions in our end markets continue to deliver sustainable benefits over their life span, be it for months or years. For example, our coating for tools can extend the lifetime of tools by 20 times, equivalent to the reduction of around 8.3 million metric tons of CO₂ or 28% of Swiss CO₂ emissions in 2022. Our high-tech abrasion-resistant coatings in jet engines increase aerospace engine operation safety and reduce fuel consumption, thereby decreasing around 26 million metric tons of CO₂ emissions or 88% of Swiss CO₂ emissions in 2022. Collectively, just two of our solutions avoid more CO₂ emissions than the amount of Swiss emissions in 2022.

As a technology leader, we are constantly developing new products and upgrades that deliver efficiency

and sustainability. In 2024, we invested around 4% of our sales (CHF 97 million¹) in R&D and filed 94 new patents. Oerlikon's R&D is driven by three priorities: customer needs, market potential and environmental concerns.

Built on the success of its predecessor solution, we launched BALINIT ALCRONA EVO in 2024 as the next-generation solution that offers customers up to 30% tool life extension, thus significantly reducing waste.

For the electric vehicles (EV) market, we launched in China new tool coating applications based on its Pulsed Plasma Diffusion (PPD) technology. PPD combines hydrogen, nitrogen and electricity, but uses no hazardous chemicals to coat tools, offering an environmentally friendly and less expensive alternative to chrome-plating for wear-protection treatment.

Another leading surface solution launched in 2024 is BALORA TECH PRO – a Physical Vapor Deposition (PVD) environmental barrier coating with high temperature wear resistance. This solution is designed to enhance the durability and performance of critical components in aerospace and power generation, thereby decreasing fuel and energy needed.

Among the many new materials launched in 2024 for the energy sector was Diamalloy 4080 – an improved material for alkaline electrolyzers used to produce hydrogen energy, and MTH003D CL5 – an advanced thermal barrier coating for higher operating temperatures in industrial gas turbines to increase efficiency and lower emissions.

For the luxury market, we introduced an environmentally friendly PVD finish that provides the same aesthetic gold effect without using any precious gold mineral.

As a result of Oerlikon Barmag's e-save sustainability program, over 15 million tons of CO₂ have been saved over the past 20 years. As a world leading supplier of manmade fiber plant technologies, it has been developing, producing and launching its prod-

ucts and services with sustainability in mind since 2004: 'Energy' savings and 'Efficiency' of systems, machines and components, 'Environment' relief and improved 'Ergonomics' for optimal machine operation are the four e-save topics that have provided fiber and yarn manufacturers with significant added value in terms of economy, safety and process handling right from the start.

As circular economy and recycling gain importance also in textile manufacturing, Oerlikon's Manmade Fibers (Barmag) is a leader in offering sustainable polycondensation solutions. For example, a customer in China has selected to increase its production capacities of recycled yarn with the polycondensation system from Oerlikon Barmag Huitong Engineering (OBHE). The expansion is in the upstream stage of the spinning mill for melt preparation, enabling the customer to have better yarn quality and better control of its supply chain as it decreases its dependency on external factors. The plant produces yarns for the European and US market and has a capacity to process 3x180 tons per day of recycled bottle flakes for textile filament yarn, which are spun-dyed for ecological reasons and uses the zero water dyeing method.

Catering to the increasing demand for recycling and reusing polymer, our HRSflow team has actively tested rPET, a low-impact polymer with the smallest carbon footprint among recycled resins. It is suitable for industrial-scale processing and holds potential for food contact validation. Oerlikon HRSflow hot runner solutions can ensure an optimal thermal profile that enables rPET processing to meet sustainability standards without compromising quality and delivering high process repeatability.

At Oerlikon, we have many more case examples of how our current technological solutions and solutions in our innovation pipeline – often developed in collaboration with customers and partners – are contributing to sustainability by reducing carbon footprints, enhancing the performance of equipment and production systems and reducing the use of energy and resources, as well as minimizing waste generation.

¹ Excluding non-recurring items.

Qualification of Sustainable Products

At Oerlikon, we see combating climate change similar to engaging in groundbreaking R&D: if initial results are not fully aligned with expectations, we analyze the data and extract the lessons learned and use them to attain optimal outcomes. Data collection and development of methodologies empower us to see where we are hitting our performance benchmarks and where we need to make further efforts and investments in sustainable innovation solutions.

Oerlikon serves customers in the automotive, tooling, luxury, textile, polymer processing, space, oil & gas, and aviation sectors, the last of which has customers in the defense industry. In each, our technologies help customers minimize their environmental and social impacts using the best-in-class approach. Sales from the defense and oil & gas sectors account for less than 5% of our total revenue.

In 2021, we defined the criteria to assess the sustainability of our products, dividing them into three categories:

- Our tool coatings, whose objective is to improve customers' production processes from a sustainability perspective and thus contribute to responsible consumption and production.
- Our component and materials business, whose objective is to enable sustainable applications or enhance the overall system to mitigate climate change, such as lowering CO₂ emissions in aerospace.
- Our equipment business, whose objective is to support more sustainable production.

We consider our tool coatings sustainable if they improve at least one area, such as raw materials consumption, energy consumption, emissions or service duration, while delivering the same or better performance than the industry standard.

Our consolidated data shows that all our tool coatings improve at least one of the environmental

criteria, as tools with standard coatings or high-performance coatings can outperform uncoated tools by up to tenfold. Comparisons of our tool coatings with industry standards identified some gaps – most already known – that contributed to our blueprint for R&D investments in next-generation coatings.

The component and materials business encompasses precision components, friction systems components, the materials business and additive manufacturing. This category covers a broad scope of our products. Thus, we have defined the criteria based on product application. A product is considered sustainable if it improves the overall system compared to industry standards in one or more of the following areas: energy consumption, social impact, waste, emissions or service time. If no industry standard exists for comparison, the product is not classified as sustainable.

For our equipment business, we deem products as sustainable if they lessen environmental impact relative to the industry standard in terms of one or more of the following: raw materials consumption, energy use, water consumption, social impact, waste, emissions or service time.

In 2022, we introduced an additional evaluation process for R&D initiatives involving two tiers of evaluation.

In the first tier, projects directly supporting green technologies and transitions, such as phasing out fossil fuels, advancing e-mobility, improving safety and health care or reducing waste, are automatically classified as sustainable.

In the second tier, we consider:

- Impact of projects: If the product resulting from the project enables customers to shorten development time, operate more sustainably (e.g. reducing CO₂) or improve performance with an indirect positive sustainability impact (e.g. less waste from fewer test parts), it is categorized as sustainable.

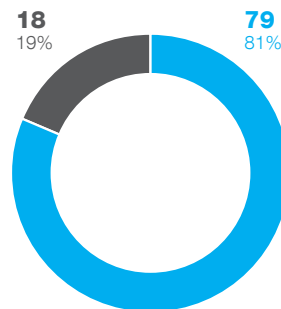
- **Research goals:** In collaboration with universities or in projects supported by public funding, if the goal is to enhance products or their performance, they are classified as sustainable.
- **Digital benefits:** If the machine learning or software solutions and upgrades can reduce scrap and energy consumption, they are considered sustainable.

Conversely, if cost reduction is the sole aim of a given project, it is deemed unsustainable.

Based on these criteria for products and projects, 81% of our total R&D investment in 2024 was in sustainable products.

These criteria and classifications enable us to identify challenging areas and guide our investment in sustainability. We continue to collaborate with our customers on the delivery of solution upgrades that will strengthen our technology leadership. At the same time, we will work toward our 2030 R&D target, where 100% of our R&D spend (except for defense and oil & gas) is on sustainable products.

**Total 2024 R&D Investment¹
in CHF million**



- In sustainable products as per our defined criteria (see pages 37–39).
- In other R&D products and activities.

¹Excluding non-recurring items.

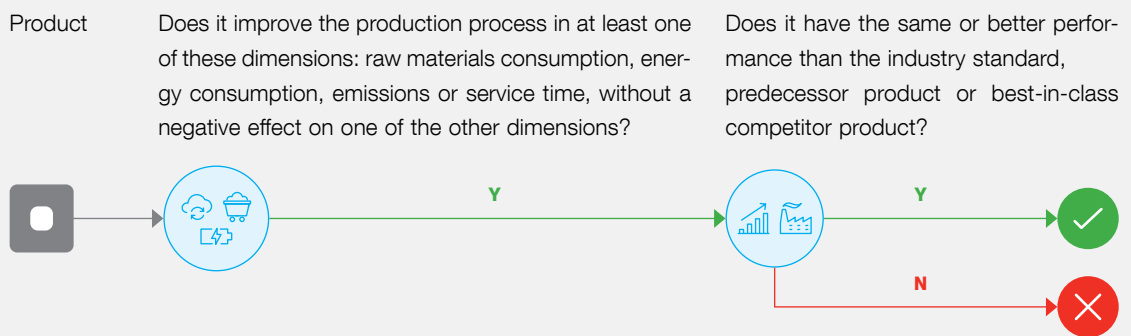
Qualification Process of Sustainable Products

We have broadly classified our solutions into three categories: tool coatings, component and materials business and equipment business.

The flowcharts below depict the process and criteria we have defined to enable us to determine which of our solutions are to be classified as sustainable.

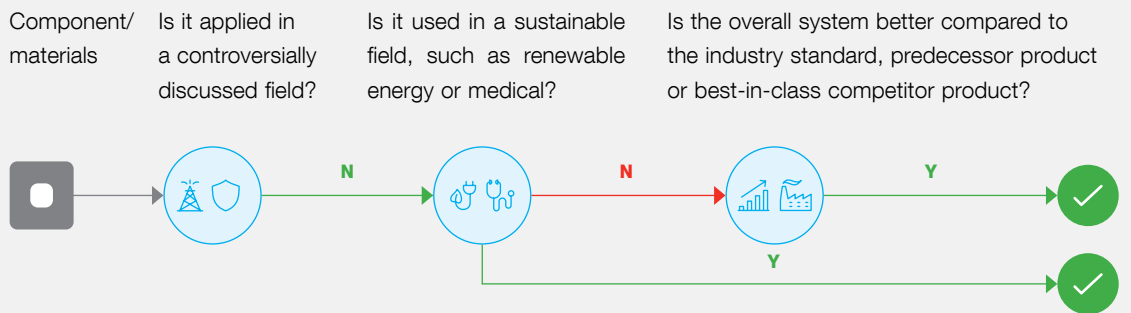
TOOL COATINGS

Our product improves the customer's production process in terms of sustainability.



COMPONENT AND MATERIALS BUSINESS

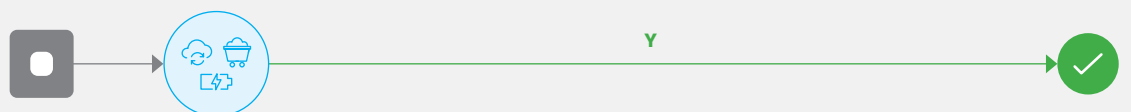
Our product is applied in a sustainable field or improves the overall sustainability of a system.



EQUIPMENT BUSINESS

Our product delivers sustainability benefits in production.

Equipment Does the equipment reduce the environmental impact compared to the industry standard, predecessor product or best-in-class competitor product in at least one of the following dimensions: raw materials consumption, energy consumption, water consumption, social impact, waste, emissions or service time, without a negative effect on one of the other dimensions?



Classified as a sustainable product
 Classified as other products or activities

Environmental Sustainability in Operations

GRI 3-3

Oerlikon has long been dedicated to developing sustainable innovations and technologies, often in collaboration with external partners and customers. We recognize the need to apply those same principles of innovation to our own operational processes and systems and to reduce the impact of our business on the environment.

Our overall strategy for reducing energy consumption and CO₂ emissions relies on optimizing efficiency on both small and larger scales. That can mean anything concerning infrastructure (from transitioning from diesel to electric forklifts to repurposing recovered heat from combined heat and power systems) and/or process optimization in operations (industrial/production processes).

In 2020, we set ambitious targets to achieve by 2030:

- (i) Implement ISO-50001-certified or Oerlikon-defined energy management systems (EnMS) at all relevant sites.
- (ii) Use electrical energy derived exclusively from renewable resources.
- (iii) Reduce the share of disposed waste to 21% of total waste.
- (iv) Achieve climate neutrality by reducing emissions in our operations.

The first two of our environment targets – implementing EnMS at all our relevant sites and switching

to purchasing and consuming energy solely from renewable resources – combined with other energy-saving and emission-reducing initiatives, are designed to support our efforts toward achieving our climate-neutral target in our operations.

For all environmental targets, we consider all production and large office sites as relevant (relevant sites) and generally exclude all small offices (fewer than 50 employees), as it is neither economically nor sustainably prudent to have such systems implemented for small offices. We have in some cases included the data of small sites that have gathered and provided the figures. Together, these are called operational sites, for which we have provided consolidated environmental data.

In 2024, the key environmental performance data from 167 operational sites were consolidated, including one small office. That represents an increase of 12 sites, [mainly due to sites acquired since the baseline year (2019: 155 sites)]. No data from minority-owned sites were included in 2024.

Our progress in 2024 in environmental metrics is detailed in the following sections of this chapter. We will continue to work toward improvements in energy efficiency and reductions in energy consumed, resources and waste – and toward our targets.

ENERGY

GRI 302-1,3,4; GRI 3-3; SASB RT-IG-130a.1

In 2024, our operations, consisting of 167 operational sites, consumed a total of 430.0 GWh of energy. This represents stable consumption compared to the prior year (429.9 GWh). Total energy used did not decrease despite lower sales due to product mix and two additional months of data in 2024 from the acquisition of Riri (in 2023, 10 months were consolidated after closing of acquisition). A total of 76.3% of the total energy consumed was supplied from grid electricity.

Our target of implementing EnMS at all Oerlikon sites considers the installation of EnMS only at relevant sites (i.e. large production and office sites), as it is neither economically nor sustainably prudent to have such systems implemented for small offices. The target includes both ISO-50001-certified and Oerlikon-defined EnMS.

The Oerlikon-defined EnMS is a stringent but lighter version, mirroring the energy management standards defined by ISO50001. The definitions of this system are documented in an internal guideline endorsed by management to regulate non-ISO sites. The local entities have the option to decide if they would implement ISO50001 or the Oerlikon-defined EnMS.

An EnMS allows us to address our energy impact, conserve resources and improve cost through efficient energy management. It is designed as a practical way for our sites to track, monitor and analyze their energy consumption so as to identify and implement improvement measures.

An EnMS provides a framework of requirements for each site to:

- Develop a policy for more efficient use of energy.
- Fix targets and objectives to meet the policy.
- Use data to better understand and make decisions about energy use.
- Measure the results.
- Review how well the policy works.
- Continually improve energy management.

In 2024, 35 sites implemented EnMS, bringing the total number of Oerlikon sites with EnMS to 123, or 74% of our total operational sites. A total of 28 sites account for around 50% of our total energy used and all of them have EnMS in place, enabling them to better manage their energy consumption.

ENVIRONMENTAL AND ENERGY CERTIFICATIONS AS OF DECEMBER 31, 2024

EnMS according to:	No. of Sites	% of Total Operational Sites
Oerlikon-defined standard	104	62%
ISO 50001	19	11%
Total¹	123	74%
ISO 14001:2015 Environmental Management Systems	48	29%

¹ Differences in total reported figure due to rounding.

Energy consumption within the organization ¹	Unit	2024	2023	2022	2021 ²	2019
Electrical power	GWh	328.3	326.9	325.9	309.7	313.2
– Electrical power from renewable sources consumed	GWh	123.0	113.5	97.2	68.8	n.a.
Natural gas	GWh	57.9	60.2	60.8	64.8	38.9
Heat and cooling purchased	GWh	15.3	14.6	14.2	14.8	25.9
Gasoline and diesel	GWh	21.5	23.1	23.0	21.2	24.0
Other energies	GWh	7.1	5.1	4.8	8.6	6.6
Total energy consumption	GWh	430.0	429.9	428.8	419.0	408.6

¹ Differences in total reported figure due to rounding. All figures include acquisitions, except for 2021.

² Excluding 2021 acquisitions.

We engage in ongoing analysis to identify further successful practices that can be implemented across the Group and obstacles to reducing energy consumption that we need to manage more effectively. Our system for monitoring energy consumption at sites across the Group includes data collection on electricity usage on a monthly basis and other energies on a quarterly basis.

Oerlikon's energy-consumption tracking system not only analyzes energy use, but also provides a breakdown of the proportion of electricity derived from renewable sources.

In 2024, 37.5% of our total electricity consumed was from renewable sources, representing an improvement of 15.5% points compared to our baseline of 22% in 2021, and an improvement of 2.5% points compared to 2023. We increased the purchase of renewable energy by 8% from 113.5 GWh in 2023 to 123.0 GWh in 2024, attributable to grid greening and improved data quality.

To date, a total of 23 sites worldwide are using energy solely from renewable sources for electricity, and a total of 33 sites derive more than or equal to 75% of their energy from renewable sources.

At many sites, our local teams are active in implementing energy-saving measures. For example, the sites in Pyeongtaek and Busan, Korea, have installed solar panels on their roofs to save around 15% of electricity costs. In India, air-cooled or refrigerant-cooled aircons have been replaced by water-cooled systems, increasing efficiency by 22%. In Japan and Italy, lightings have been switched to LED. These individual instances may seem to deliver only minor benefits. Collectively, they make an impact in contributing to energy savings. In 2024, such initiatives resulted in 3.2 GWh of energy savings.

We are on track with our goals and remain committed to achieving our 2030 targets: to have 100% of our relevant sites with EnMS implemented and to derive electrical energy solely from renewable sources.

CIRCULAR ECONOMY

GRI 3-3

At Oerlikon, we see the future of sustainability as inextricably linked to circular economy innovations, regenerative practices and advanced recycling management. Circular approaches are therefore central to our strategy for optimizing our environmental performance.

We are exploring circular solutions that convert our waste streams into raw materials for use in other industries. For example, our Additive Manufacturing sites are recycling all powder, powder waste and scrap builds instead of sending them for incinerating or to landfills. In Japan, some customers are being encouraged to use returnable containers for transporting tools instead of cardboard boxes.

In our supply chain, we are purchasing recycled materials for reuse. To achieve our hazardous waste goal, multiple units across Oerlikon work to recycle or recover waste streams for reuse.

As we define the processes and measures to systematically gather and analyze data, identify measures and report on waste, we seek to work in parallel, and also within our ongoing Scope 3 project, to improve circularity along our value chain.

WASTE

GRI 306-1,2,3,4,5

We began reporting on GRI 306 Waste 2020 in our Sustainability Report 2020 and have set ourselves the target of reducing the share of waste disposed in 2030 to 21% of total waste, representing a 50% decrease compared to the 2019 baseline of 42%.

Total waste includes diverted waste (recycled and reused) and disposed waste (incinerated with and without energy recovery and landfilling). The share of waste disposed means the total weight of waste directed to disposal by Oerlikon calculated as a percentage of the total weight of waste generated by the Group.

In 2024, waste data from 167 operational sites were consolidated. We disposed 31% of our total waste, an improvement compared to the 42% in the baseline year. Compared to the previous year, there was a slight decline (2023: 27%) attributed to two additional months of data in 2024 from the acquisition of Riri (in 2023, 10 months were consolidated after closing of acquisition).

Currently, many of the waste-reduction initiatives are implemented locally. For example, evaporators are being utilized on cleaning lines in the US to reduce waste.

We are continuously improving the quality of our reporting on waste and working closely with sites that have a high level of disposed waste (in absolute values) to identify solutions. We continue to identify measures and work toward achieving our 2030 waste target.

Waste ¹	Unit	2024	2023	2022	2021 ²	2019
Hazardous waste	Kilotons	11.8	11.5	10.2	10.2	11.6
Non-hazardous waste	Kilotons	10.2	11.5	13.2	11.9	11.3
Total waste generated	Kilotons	22.1	23.0	23.4	22.1	22.9
Total waste diverted from disposal	Kilotons	15.2	16.7	17.0	15.2	13.3
Total waste directed to disposal	Kilotons	6.9	6.3	6.5	6.9	9.6
Share of waste disposed	Kilotons	31%	27%	28%	31%	42%

¹ All data includes acquisitions, except for 2021.

² Excluding 2021 acquisitions.

WATER AND EFFLUENTS

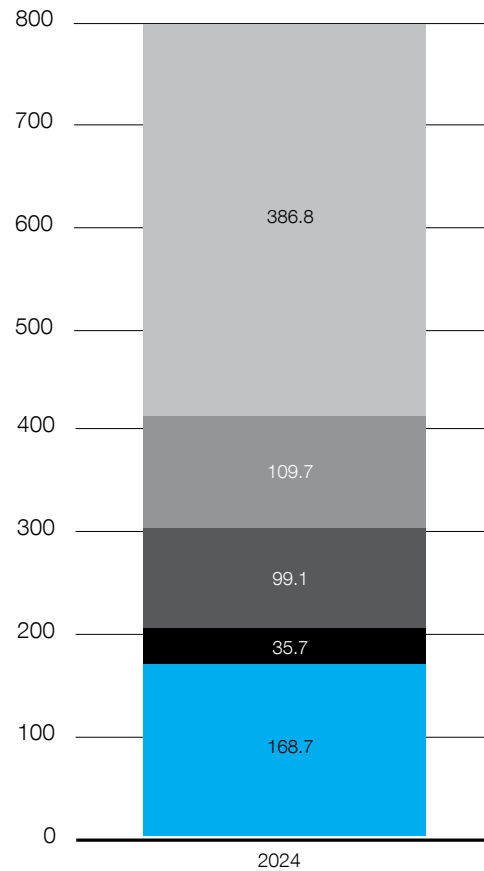
GRI 303-1,2,3

Oerlikon's operations do not require the use of significant amounts of water for production or processing. As a result, water is not considered a material area where we can make a meaningful impact.

At the same time, we recognize that there are communities around the world struggling with water scarcity. Thus, we seek opportunities to optimize water management overall across our sites and particularly in water-stressed locations.

In 2021, we expanded our water assessments to include an analysis of water stress. Using the World Resources Institute's Aqueduct Water Risk Atlas tool, we mapped out and assessed our operational sites according to the level of baseline water stress of the local watershed. The tool helps us identify which of our sites are in water-stressed areas. With the data, we can monitor and take the necessary measures to better manage water consumption and mitigate water risk, particularly in high-risk areas.

Of the 167 Oerlikon operational sites in 2024, 36 are located in areas facing extremely high levels of water stress; 16 are in high water-stressed areas; 44 are in areas with medium to high levels of water stress and 71 sites are in low and medium to low water-stressed areas.



Water Withdrawal in Water-Stressed Areas (thousand m3)



Water Withdrawal ¹	Unit	2024	2023	2022	2021 ²	2019
Third-party water withdrawal	Thousand m ³	772.7	748.0	756.4	707.0	700.2
Surface water	Thousand m ³	12.9	7.0	7.4	7.8	11.8
Groundwater	Thousand m ³	14.4	14.3	2.8	2.6	4.1
Sea water	Thousand m ³	0	0	0	0	0
Produced water	Thousand m ³	0	0	0	0	0
Total water withdrawal	Thousand m ³	800.0	769.3	766.6	717.4	716.2

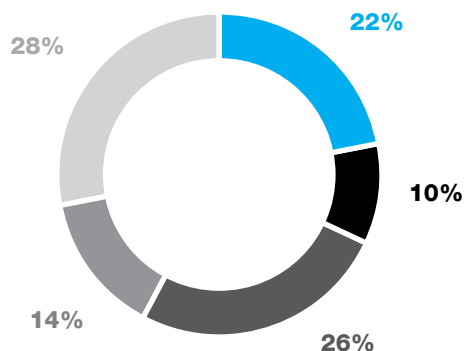
¹ Differences in total reported figure due to rounding. All figures include acquisitions, except for 2021.

² Excluding 2021 acquisitions.

In 2024, total water withdrawal increased compared to 2023 due to the two additional months of data in 2024 from the acquisition of Riri (in 2023, 10 months were consolidated after closing of acquisition).

In terms of usage, around 168.7 thousand m³ of water was consumed by our sites from extremely high water-stressed areas, and 35.7 thousand m³ was withdrawn in high water-stressed areas, representing 21% and 4% of our total water consumption worldwide, respectively.

For water discharged, we fully comply with local regulatory requirements and regularly perform compliance checks on effluent discharged when conducting our health, safety and environmental checks.



Distribution of Water Withdrawal 2024
(as % of total sites)

- Extremely high
- High
- Medium to high
- Low to medium
- Low



Oerlikon's WINGS technology reduces energy consumption in the polyester yarn spinning process by 30%. At the customer Garden Silk Mills in Surat, India, it is setting new sustainable standards in the production of FDY (fully drawn yarns).

EMISSIONS

GRI 305-1,2,3,4

Reducing Consumption and Emissions

Oerlikon supports customers who share our commitment to achieving carbon neutrality and count on our innovations to help them advance toward their environmental goals. The products we bring to market are designed to minimize their environmental impact over the entire life cycle and along the value chain, encompassing direct and indirect customers.

We are equally aware of our own environmental obligations and have developed a Climate Transition Plan (see Route to Climate Impact Reduction on page 32). The route shows the main categories of emissions and the measures that we have identified to support us in reducing our carbon footprint.

In the near-term, we have committed to achieving climate neutrality for Scope 1 and 2 in 100% of our relevant operations. We are measuring this based on greenhouse gas (GHG) emissions in relation to sales. Thus, our goal is to achieve zero GHG emissions and emissions intensity (in tons of CO₂ equivalents per million Swiss francs of sales) by 2030.

We have a good understanding of our Scope 1 & 2 emissions, which we have been disclosing, together with our GHG emissions intensity levels, since our inaugural 2020 report. We have mapped out how we intend to achieve our 2030 climate neutrality target for Scope 1 and 2 in our relevant operations (see 2030 Operational Environment Targets (Scope 1&2) diagram on page 47).

In service of this goal, we are optimizing sustainable practices in our operations, which can be as simple as turning off the air conditioner during nights and on weekends. At the same time, we engage in practices that reduce our carbon footprint in sales, delivery and maintenance. This is one of our reasons for locating Oerlikon sites in close proximity to customers – an approach that strengthens customer service capabilities and helps to reduce emissions.

We also encourage individual employees to embrace sustainability through measures such as providing secure parking for those who choose to commute by bicycle and charging stations for those who drive electric or hybrid cars.

For our Scope 3 emissions, our plan is to focus on improving energy efficiency of our own products and increasing customer engagement to motivate them to switch to use more energy from renewable sources, and we expect to benefit from the grid greening from energy providers.

We will continue to monitor and calculate our Scope 3 emissions, concentrating on the plan and actions to reduce them. To reaffirm our commitment, we intend to set science-based targets for Scope 1, 2 and 3 and to commit and submit to SBTi latest after the separation.

Scope 1 and 2

Our Scope 1 emissions are direct GHG emissions from owned or controlled sources of the Group, excluding emissions from small offices whose emissions are negligible. Scope 2 encompasses indirect GHG emissions from electricity, steam, heat and cooling purchased by the company.

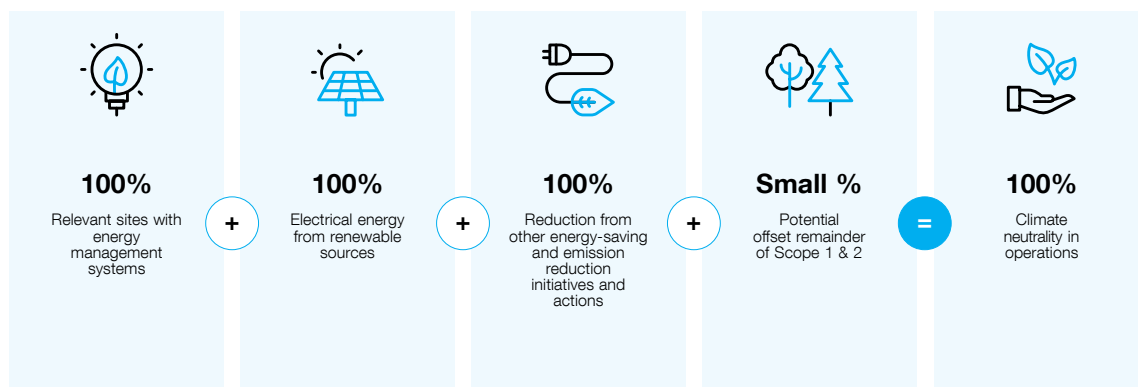
Our GHG emissions intensity levels are measured in tons of carbon dioxide equivalents (tCO₂e) per million of sales in Swiss francs for total Scope 1 and 2 emissions (see 47 and 94 of the report). In 2024, emissions data from 167 operational sites were consolidated.

Our Scope 1 emissions increased by 23% in 2024 compared to the baseline, mainly due to acquired sites. Compared to 2023, Scope 1 emissions decreased by 3.2%, attributed to closed sites and energy-saving actions.

In 2024, we reduced our Scope 2 emissions by 12% compared to our 2019 baseline and slightly lowered emissions by 0.2% compared to our 2023 level. The improvement in emissions levels is mainly attributed to the continued shift toward purchasing and using renewable energy.

In terms of GHG emissions intensity for Scope 1 and 2, which is the metric we are using for our climate-neutral 2030 target, we have slightly lowered the carbon intensity of our operations in 2024 (60.8 tCO₂e/million CHF) compared to 60.9 tCO₂e/million CHF from the 2019 baseline year. Compared to 2023 (53.8 tCO₂e/million CHF), 2024 saw an increase in intensity due to lower sales in 2024.

2030 Operational Environmental Targets (Scope 1 & 2)



Among our 167 sites, 84 are using the market-based method to report on their Scope 2 emissions, while 83 sites are using the location-based method, as they do not have contractual information that meets the Scope 2 quality criteria.

Our indirect emissions are attributed mainly to electricity bought for all sites, heat bought at a few sites and cooling bought at a handful of sites. Our direct CO₂ emissions stem from the combustion of natural gas and oil for heating purposes, emissions from diesel and gasoline for vehicles (private use excluded) and hydrocarbon gases for specific production processes, such as thermal spray.

Gases such as propane or acetylene that are used in the Oerlikon Balzers' thin-film coating processes become part of the surface and are not combusted.

Since these gases do not react with oxygen, they are not considered a form of energy (but rather process gases) and therefore do not generate CO₂ and are excluded from the emissions measurements for the environmental metrics reporting.

In measuring our CO₂ emissions, we follow the defined unit by the GRI Standards, which is tCO₂e. Unlike a number of other industrial companies, we do not use F-gases in our production processes. For example, we do not use sulfur hexafluoride (SF₆) gas, which is an insulating gas for electrical equipment. These gases are considered much more damaging GHGs than CO₂, with a negative impact of about 23500 times that of CO₂. Thus, our CO₂ emissions can be considered "real" CO₂ emissions and not CO₂-equivalent emissions (which is how SF₆ would be classified).

Emissions ¹	Unit	2024	2023	2022	2021 ²	2019
Direct CO ₂ emissions (Scope 1)	Kilotons CO ₂ eq	18.3	18.9	19.0	19.5	14.9
Indirect CO ₂ emissions (Scope 2)	Kilotons CO ₂ eq	125.8	126.1	128.1	141.5	143.0
Total Scope 1 and Scope 2 GHG emissions	Kilotons CO ₂ eq	144.1	145.0	147.2	161.0	157.9
Scope 1 and Scope 2 GHG emissions intensity	Tons CO ₂ eq per million CHF sales	60.8	53.8	50.6	60.8	60.9

¹ Differences in total reported figure due to rounding. All data includes acquisitions, except for 2021.

² Excluding 2021 acquisitions.

Scope 3

Our Scope 3 emissions encompass other indirect greenhouse gas (GHG) emissions that are not covered in Scope 2 and occur in our entire value chain, including both upstream and downstream emissions.

Scope 3 emissions represent over 99% of Oerlikon's total GHG emissions. The volume of emissions for Scope 3 decreased by 46% from 2023 to 2024, attributed to lower sales volume, positive effect from grid greening in some countries and a better product mix from the increase in sustainable products sold.

Scope 3 Categories

Overall, 13 out of the 15 Scope 3 emissions categories as defined by the GHG Protocol are deemed relevant to Oerlikon. Two categories – Category 8 (upstream leased assets) and Category 14 (franchises) – are not applicable for the business since Oerlikon has neither any franchises nor upstream leased assets.

For the 13 relevant categories, the emissions have been calculated according to the GHG Protocol, thus, allowing for aggregation and comparability across organizations and jurisdictions. In

Scope 3 Emissions table below, we have reported on the emissions volume for 2024 and have also provided the figures for 2023 for comparison purposes.

Based on the results, the largest contributor to Scope 3 emissions, and to total Oerlikon emissions, is Category 11 Use of Sold Products. This result is fully consistent for a technology-leading engineering company that provides reliable, high-quality and long-lasting plant-size filament and non-filament machinery, hot runner solutions, as well as high-performance and durable metal-based coating machines and equipment. In 2024, Category 11 contributed to more than 95% of our Scope 3 emissions.

In the 2024 report, we are addressing and assuring the top 5 emissions-generating Scope 3 categories, specifically:

- Category 1: Purchased goods and services
- Category 4: Upstream transportation and distribution
- Category 10: Processing of sold products
- Category 11: Use of sold products
- Category 12: End-of-life treatment of sold products

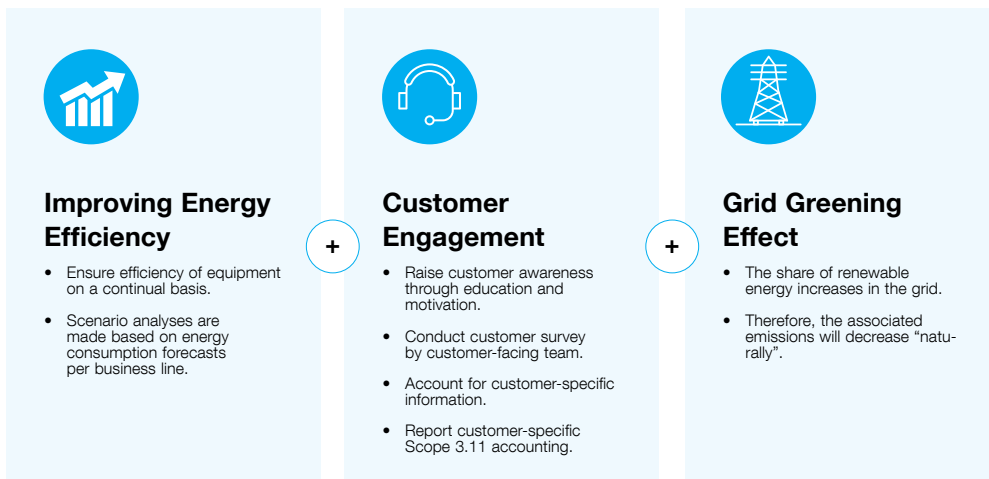
Scope 3 Emissions¹

Scope 3 Category	Unit	2024	2023
1 Purchased goods and services	Kilotons CO ₂ e	433.7	671.1
2 Capital goods	Kilotons CO ₂ e	27.5	65.8
3 Fuel and energy-related activities	Kilotons CO ₂ e	30.4	34.8
4 Upstream transportation and distribution	Kilotons CO ₂ e	42.4	68.6
5 Waste generated in operations	Kilotons CO ₂ e	5.9	9.9
6 Business travel	Kilotons CO ₂ e	4.1	5.8
7 Employee commuting	Kilotons CO ₂ e	15.4	14.5
8 Upstream leased assets	Kilotons CO ₂ e	Not relevant	Not relevant
9 Downstream transport and distribution	Kilotons CO ₂ e	7.2	7.6
10 Processing of sold products	Kilotons CO ₂ e	91.3	97.5
11 Use of sold products	Kilotons CO ₂ e	21 422.3	40 119.4
12 End-of-life treatment of sold products	Kilotons CO ₂ e	125.6	102.2
13 Downstream leased assets	Kilotons CO ₂ e	11.3	11.3
14 Franchises	Kilotons CO ₂ e	Not relevant	Not relevant
15 Investments	Kilotons CO ₂ e	0.3	0.3
Total Scope 3 Emissions	Kilotons CO ₂ e	22 217.4	41 208.7

¹ Due to rounding some totals may not correspond with the sum of the separate figures.

Scope 3 Emissions Methodology Applied

Scope 3 Category	Definition GHG Protocol	Methodology
<p>Category 1 Purchased goods and services</p>	<p>Upstream emissions from the manufacturing of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products).</p>	<p>Spend-based methodology which estimates emissions by collecting the monetary purchasing volume of the goods and services, matching them with scope 3 categories and multiplied by the corresponding secondary emission factors.</p>
<p>Category 4 Upstream transportation and distribution</p>	<p>The transportation and distribution of products purchased during the reporting year involve the movement of goods from the company's tier 1 suppliers to its operations using vehicles not owned or operated by the company. This includes multi-modal shipping with multiple carriers, excluding fuel and energy products. Additionally, it covers third-party transportation and distribution services procured by the company, either directly or through intermediaries, encompassing inbound logistics, outbound logistics (e.g. sold products) and transfers between the company's own facilities.</p>	<p>GHG emissions related to upstream transportation and distribution are calculated using a hybrid methodology. All data is obtained from Oerlikon's internal data management system.</p> <p>GHG emissions associated with transportation procured by Oerlikon and shipped to Oerlikon are calculated by multiplying emission factors for the number of products procured, the distance traveled, and the mode of transportation.</p> <p>GHG emissions associated with Oerlikon's purchases and transportation to Oerlikon are calculated by multiplying expenditures by the emission factor for the mode of transportation.</p>
<p>Category 10 Processing of sold products</p>	<p>Emissions from the processing of sold intermediate products third parties (e.g. manufacturers) subsequent to sale by the reporting company.</p>	<p>Average-based methodology with determination of emissions based on mass-based data and the assumption of average process energy consumption.</p>
<p>Category 11 Use of sold products</p>	<p>Emissions from the use of goods and services sold by the reporting company in the reporting year. A reporting company's Scope 3 emissions from use of sold products include the scope 1 and scope 2 emissions of end users. End users include both consumers and business customers that use final products.</p>	<p>Consumption-based methodology with determination of the number of products sold in the reporting year, their service lifetime & specific energy consumption, multiplied with the corresponding emission factor.</p>
<p>Category 12 End-of-life treatment of sold products</p>	<p>Emissions from the waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life.</p>	<p>GHG emissions from the disposal of all Oerlikon products sold in the reporting year were calculated presuming that these products at the end of their lives are either disposed of by recycling, incineration or landfill.</p> <p>The total amount of end-of-life treatment carbon was determined by multiplying mass- and spend-based data of sold products per business unit with the corresponding emission factor.</p> <p>The assumptions of the percentage of treatment method were made according to marked based data. The assumptions about materials were made by experts at Oerlikon.</p>



For the calculation of the Scope 3 emissions, we applied a tailored mix of methodologies best suited to all 13 relevant categories. In the table Scope 3 Emissions Methodology Applied on page 49, we have detailed the methodology that was used for the top 5 Scope 3 emission categories.

Scope 3 Emissions Reduction Plan

To reduce our Scope 3 emissions, our plan is to focus on:

- Improving energy efficiency of products
- Increasing customer engagement
- Benefiting from grid greening from power providers

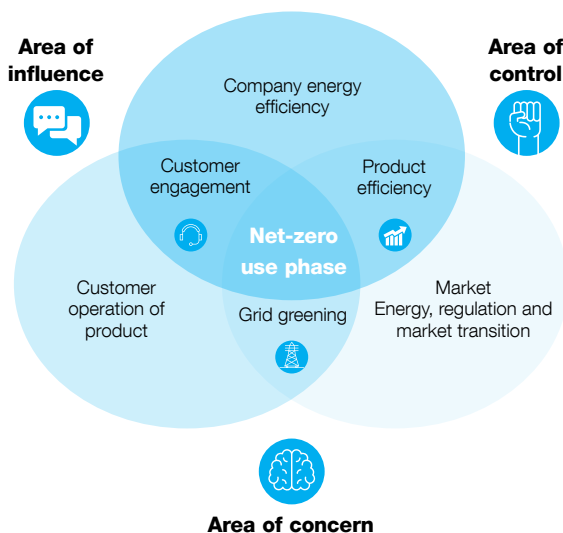
As a technology leader, the area in which we will have strong control is technology innovation, which will improve energy efficiency of our machinery, systems and products sold, thereby reducing the emissions impact.

An area that we have limited control but can try to influence is customer engagement. Through our account managers, sales teams and surveys, we aim to raise our customers' awareness on the options and benefits and motivate them to switch to green energy.

As countries work toward fulfilling their goals signed in the Paris agreement, it is anticipated that the electrical power in many countries will be converted to renewable sources. Oerlikon will be able to benefit from this grid greening effect, which will support us in reducing our Scope 3 emissions. The speed and scope of grid greening is subjected to the local government's energy policies and regulations, which will differ from country to country.

We will continue to monitor and calculate our Scope 3 emissions, concentrating on the plan and actions to reduce them (see also our Climate Transition Plan on pages 32-33).

To reaffirm our commitment, we intend to set science-based targets for Scope 1, 2 and 3. In our Sustainability Report 2023, we stated that we had planned to commit and submit to SBTi in 2024. We have reassessed this and adjusted our plans as we announced in February 2024 that we are taking the final step in our transformation to become a pure-play surface technologies leader and to separate from our manmade fibers solutions business (Barmag) within the next 12-24 months. This separation is expected to have a material impact on our Scope 3 emissions and the top emitting categories, which will in turn impact our climate transition plan and roadmap. Thus, our current plan is to commit and submit to SBTi latest after the separation.



04 Our Social Commitment



Responsible Employer

04

GRI 3-3

SDGS IN FOCUS:



EMPLOYMENT

GRI 2-7,8; GRI 401-1,2;
SASB RT-IG-000.B

In 2024, Oerlikon faced challenging end markets that required us to make difficult decisions to strengthen the resilience of our business. We had to, unfortunately, reduce our workforce, but remained committed to ensure that employees were treated respectfully and fairly.

We took the opportunity to identify further tools and programs that can improve the efficiency and working environment for employees. In 2024, we embraced digitalization to enhance processes and learning. Through these tools, we digitally empower our employees in an increasingly technology-driven world.

At the same time, we continued to focus on delivering quality products and services to our customers, sustaining our strong innovation pipeline and advancing our commitment to Diversity, Equity and Inclusion (DEI). We will continue to work towards our 2030 gender diversity targets and nurture promising careers through our professional development programs for employees identified as having leadership potential.

An Employer of Choice for Global Talent

Oerlikon's global workforce numbered 12,064 full-time equivalents (FTEs) at the end of 2024, a decrease of 4.4% compared to the previous year.

57% of FTEs were based in Europe, followed by 28% in Asia-Pacific and 15% in the Americas. The

majority of Oerlikon's employees (>90%) are permanent employees.

Further employment data (headcount), including breakdowns by permanent, temporary, full-time and part-time employees, as well as by regional and gender splits, can be found on pages 96 to 99. Data for employees with non-guaranteed hours is not available. Since this group is very small, Oerlikon does not track this information.

As an equal opportunity employer, Oerlikon offers attractive compensation and benefit packages to all employees, including temporary and part-time employees, as well as apprentices and interns, in compliance with local labor laws and practices. Parental leave is also part of the employment package, in line with local labor regulations and practices.

Employee Engagement Positively Impacting Culture

We run periodic surveys to assess employee engagement and identify opportunities for continued improvement. The most recent employee survey was conducted in 2022 with the theme "Your Voice Matters"; it had a 72% participation rate.

Using the survey results and feedback as a starting point, 2023 consisted of robust follow-ups at team level to identify current challenges and measure progress.

In 2024, we continued with our efforts to listen and learn from our employees by improving the surveys that they receive. We have redesigned and short-

ened the employee engagement survey to ask only the most relevant questions. This way, employees can provide more valuable and meaningful feedback. Using this redesigned survey, we plan to conduct quarterly “Engagement Pulse Surveys” that will help with better and more frequent action planning going forward.

Furthermore, we conducted a pilot on the new “People Leader” survey at the end of the 2024. This survey will be launched globally in 2025.

Embedding Desired Behavior in Our Culture

Drawing on feedback gathered from two employee engagement surveys, along with input from targeted interviews, we developed the six concise Success Statements from the Oerlikon Success Model.

To embed the Success Model into our culture and performance, the success statements were integrated into employee performance evaluations. Doing this enables us to reinforce our culture and values, and identify where additional investment is required. To ensure transparency and accessibility across the organization, the performance evaluation system is available in ten languages.

Additionally, we deployed visual aids, such as posters and stickers, to deepen the understanding of the Success Model. In 2023, posters in 23 languages were strategically placed throughout the company’s sites worldwide to inspire and engage employees with the Success Statements.

Talent Acquisition

The post-pandemic global recruitment landscape has necessitated greater efficiency and organization in talent acquisition. We rose to this challenge by leveraging a mix of tools, technologies and strategies.

In 2024, 49% of our acquisitions were sourced over online platforms such as LinkedIn and Indeed. The transformation into a more digital approach for recruitment has led to significant savings compared to conventional recruitment methods.

In our journey to further utilize digital tools, we introduced AI training videos to support our hiring managers and HR colleagues. The short videos focus on giving detailed instructions, processes and steps for implementation on different topics. For example, the “How to” series serves to deepen HR managers’ understanding and knowledge of recruitment.

For job postings, we have created standardized templates to ensure consistent representation of the Oerlikon brand. To attract local talent, we have refined our approach in the markets where we operate, emphasizing localization as a key strategy. We have developed templates in multiple languages tailored to the specific needs of each country and we are committed to expanding these efforts further.

We are also continuously improving and upgrading our ATS (Applicant Tracking System) for job advertising. This includes reviewing existing deck and then updating outdated or overused images and customizing the grouping of functions or job types.

DIVERSITY AND EQUAL OPPORTUNITY

GRI 405-1

Oerlikon is dedicated to cultivating a work environment where every employee feels secure, comfortable and can genuinely be themselves.

Employee Resource Groups (ERGs) are internal communities of workers with shared identities and interests. Their main goals are to advocate for the underrepresented group they represent and help increase the opportunities employees get within the workplace. Initiated by employees, these groups often become strategic assets for leadership, supporting an organization’s mission, and advancing diversity and inclusion initiatives. By offering compassionate spaces, ERGs enable individuals to be their authentic selves at work, promoting better performance and stronger peer relationships.

There are five active ERGs at Oerlikon. Each of them plays a crucial role in uniting employees with shared interests, ensuring organization-wide awareness and appreciation for the diverse perspectives within Oerlikon’s workforce.

Enrich@Oerlikon serves as a global cultural bridge for employees worldwide. The group acts as an advisory body to leadership, focusing on achieving diversity objectives and advancing the intercultural and professional development of teams.

In 2024, the group hosted the “Nationality Days” initiative, a monthly online event where one of the community members would step into the spotlight to share fascinating and fun facts about their home country and culture. By diving into less obvious

topics, breaking stereotypes and sharing captivating stories, the initiative opened the door to a deeper understanding of our colleagues' backgrounds. It also fostered common ground and shared experiences, ultimately creating a stronger and tighter knit team.

The Oerlikon Women's Council is committed to promoting women's interests and the development of talented women as future leaders within the organization.

Following the success of the Women in Leadership pilot program in 2023, the Group launched the Mentorship program in 2024. After a selection process, 11 pairs of mentors and mentees were formed, representing a diverse cross-section of business units and functions.

Proud@Oerlikon is dedicated to creating a safe, inclusive and supportive environment for all, regardless of sexual orientation, gender identity or expression.

Parents@Oerlikon supports employees balancing work alongside their family responsibilities, aligning with the company's belief that a supportive culture leads to a more satisfied, engaged and productive workforce. This group welcomes parents, caregivers, parents-to-be and any employees interested in navigating family and career challenges. The group offers resources on taking leave, managing benefits, balancing responsibilities and career advancements. With this platform, members can connect, share experiences and learn from one another in a welcoming community that embraces all backgrounds, roles and family structures.

In 2024, the group launched "Parent of the Month," an initiative highlighting community members parenting challenges, successes and practical tips. The project provides a space for individuals to openly discuss the realities of balancing work and family life, offering advice and inspiration to others navigating similar paths. By featuring diverse experiences, this supportive platform fosters a sense of connection and understanding within the company.

The primary aim of MultiGen@Oerlikon is to promote cross-generational collaboration. The group's

membership encompasses individuals from Generations X, Y and Z, as well as baby boomers. They collaborate to tackle challenges collectively. In 2024, the group focused on designing a multi-step survey series to gain deeper insights into the challenges at hand and identify key priorities for their future program.

Oerlikon's management is open to further proposals for establishing additional dedicated employee groups and encourages those who wish to drive change to seek support.

SENIOR MANAGEMENT IN LOCAL COMMUNITIES

GRI 202-2

We have long recognized the direct link between our internal diversity, our capacity to innovate and our market position. Cultural and geographical diversity align not only with our values, but also with our value proposition as a company that derives strength from the different backgrounds, experiences and areas of expertise within our workforce.

Our global workforce in 2024 was represented by 105 nationalities (2023: 105). Among our leadership team, 23% of our designated Global Leaders were non-European (2023: 19%). Oerlikon aims to further its regional expansion, particularly in its Surface Solutions Division, to unlock upside sales potential in the regions by leveraging the competitive advantages of its integrated offering and broad technology portfolio.

The regional decision-making framework is key to achieving Oerlikon's goal of facilitating more cross-team and cross-business collaboration. This approach delivers tangible benefits for the business and employees. Customers gain access to a more comprehensive portfolio of materials, technologies, equipment and solutions, while employees gain exposure to a greater range of perspectives, expertise and ideas. The net effect is a more engaging and satisfying working environment.

Diversity Conference

In November, led by our employee resource group Parents@Oerlikon, we hosted our fourth Diversity

Conference, called "Navigating Parenthood." The event honored parenthood and was dedicated to supporting employees who juggle the demands of being a parent alongside their professional careers.

With over 300 registered participants, the three-session conference commenced with a panel discussion featuring top company leaders. They shared insights on balancing roles at work and at home, recognizing how work and personal responsibilities have become increasingly intertwined, especially in recent years. This was followed by an interactive workshop on "Managing Personal Energy," emphasizing skills such as setting priorities, saying "no" and asking for help. The third session featured an interactive webinar about harnessing cultural diversity to build successful international teams.

Gender and Sexual Diversity

We remain committed to strengthening gender diversity on the Board, at a senior management level and across the company. In 2024, two out of eight members (25%) of the Board were women, while one out of five members (20%) of the Executive Committee was female. During 2024, Oerlikon's global workforce (FTEs) decreased by 4.4% to 12 064, of which 25% were female (2023: 25%).

Achieving gender balance remains challenging given the predominance of men in engineering. Our overall workforce is largely male (75%), and women account for 14% of management and leadership roles (2019 baseline: 12%).

As an Equal Voice signatory, Oerlikon is committed to gender equality in business and has set targets that include increasing female representation in top leadership to 20% by 2030. In support of this objective, we have been actively identifying women with leadership potential and fostering early career planning to promote internal talent growth among junior female staff.

We actively work on improving gender diversity and making Oerlikon an attractive workplace for women. To this end, we strive to increase the number of women in leadership positions within the company through a variety of initiatives.

In 2024, Oerlikon's Women's Council continued to drive positive change and foster an inclusive culture

through a series of impactful initiatives. One of the key highlights of the year was hosting Girls' Day at five Oerlikon locations across Germany. This event provided more than 30 young girls with the opportunity to explore careers in science, technology, engineering, and mathematics (STEM). By opening our doors and engaging these young participants in hands-on STEM experiences, we aimed to inspire and motivate the next generation of female leaders and innovators. Oerlikon remains committed to creating opportunities for women in traditionally male-dominated fields and believes in cultivating early interest and confidence in STEM careers.

Additionally, the Women's Council launched its first mentorship program, a strategic initiative designed to support and accelerate the professional development of women within the organization. In its first year, the program successfully paired 11 mentors and mentees, providing participants with personalized guidance, career planning support and opportunities to build meaningful connections. This mentorship initiative reflects Oerlikon's dedication to empowering women, strengthening our talent pipeline and promoting a culture of mutual support and collaboration.

Building on the success of its inaugural observance Pride Month in 2022, Oerlikon continued to celebrate and promote LGBTQ+ inclusion in 2024. The Proud@Oerlikon employee resource group played a central role in these activities, offering opportunities for employees to learn about the history of Pride, appreciate the significance of being openly LGBTQ+ in the workplace and understand ways to actively support and promote ally visibility.

Oerlikon also reinforced its commitment to inclusivity by signing Switzerland's Trans Rights Pledge. In addition, a group of employees participated in the 2024 Christopher Street Day parade in Cologne, Germany, honoring the Stonewall Uprising in New York, a defining moment in the LGBTQ+ rights movement.

Age Diversity

At Oerlikon, age is never a factor in hiring and employment decisions. Our company takes pride in its age diversity.

In 2024, approximately 14% of our workforce was aged 30 or younger, 58% was between the ages of 30 to 50 and 28% was over 50 years of age.

Our equal opportunity approach to age (as well as all protected characteristics), demonstrated appreciation of talent and career growth opportunities resulted in a higher level of workplace satisfaction among our employees.

As of the publication of this report, 15% or 1949, of our employees have been employed at Oerlikon for 20 years or more (2023: 1 961). This proves our commitment to offering our employees long-term opportunities. The average employee tenure at Oerlikon is 10.04 years (2023: 9.78 years), which is notably longer than the industry average.

Disability Inclusion

At Oerlikon, we are deeply committed to embracing inclusion and actively seeking diverse future talents, including those with disabilities or chronic illnesses. We value individuals for their abilities and do not judge them based on their impairments.

We have various activities globally to promote disability inclusion. For example, in France 30% of the population live with a temporary or permanent disability. Among them, 80% have disabilities that are categorized as invisible, and 85% acquired their disabilities after the age of 16. In 2024, Oerlikon France, with the support of professional agency Pidiem, launched a pioneering pilot research project on invisible disabilities among our local employees.

As part of this initiative, the company conducted confidential, one-on-one interviews with employees. The interviews highlighted several potential areas for improvement to create a more accommodating work environment, including enhancements in development hardware, organizational design, and physical and digital accessibility.

Based on the feedback from the interviews, Oerlikon's local management team has outlined a comprehensive 3- to 4-year disability policy. In 2024 and 2025, the focus is on appointing a disability coordinator at each site, signing the Diversity Charter, organizing an internal competition to create a logo that symbolizes the company's commitment to disability and ensuring that all disability-related actions are communicated on social media.

We will continue working toward these goals along with other global initiatives to create an inclusive and supportive work environment for all employees.

TRAINING AND EDUCATION

GRI 404-1,2,3

Employee Training and Development

Skill enhancement and professional development programs are as essential to our market success as they are to our employees' ambitions. Oerlikon's employee training and development programs include in-person and online learning and career development options, such as workshops and courses designed to upgrade existing skills, and sessions that provide transition assistance.

Employee training is part of an individual's career and personal development planning, which is built into the performance reviews conducted at least twice a year between employees and their line managers. During these developmental conversations, the line managers can connect to the online training catalog to discuss, for example, formal training options and/or review other on-the-job development and growth opportunities or special projects. Our training catalog mainly focuses on soft skills for leaders and office workers. Training for technical work, such as machine operation, is handled locally in line with the operating procedures of that country. The reviews are documented in the umatter¹ system or, where umatter is not in place, in manual individual development plan templates.

ULearn

In 2024, Oerlikon launched ULearn², a Learning Management System offering employees a fully integrated e-learning experience. This centralized platform offers training and educational services to employees and mandatory training information. ULearn enhances employee engagement, boosts productivity, streamlines training management and provides data-driven insights to identify areas for improvement.

The system offers engaging courses in a variety of content formats. For example, ULearn offers videos, documents, quizzes to evaluate learner understanding and more. In order to create a better user experience, the courses can be tailored to different needs and preferences.

uDoc

In 2024, Oerlikon improved its digital infrastructure to give employees better access to their data. We replaced traditional paper-based documentation

¹ umatter is the internal Oerlikon branding for SAP SuccessFactors, the employee master data system with the following global processes (Performance Management, Recruiting, Salary Review, Short Term Incentive, Development and Succession Planning).

² ULearn is the internal Oerlikon branding for Learn365, the global learning management system.

with a centralized and secure repository for several types of documents in electronic form.

The newly launched uDoc¹, an eDocument System, provides all employees, including those who work on the shopfloor, with digital ID and access to their documents. This is a first for many shopfloor employees as we increase digital accessibility for all.

The platform is designed to store, organize, manage and track digital employee documents within the company. Additionally, uDoc enables employees to request personal documents online and allows HR and managers to manage tasks, approvals and document workflows efficiently. By enhancing accessibility and automating processes, uDoc improves operational efficiency while ensuring compliance and connecting shopfloor employees to HR systems.

Apprenticeships

Oerlikon has continued to seek out the next generation of talent even before future young professionals have entered the workforce. In cooperation with a number of schools, colleges and universities worldwide, we make hands-on, intensive apprenticeships and internships available to emerging innovators.

High-Potential Talent Programs

Launched in 2018, Horizons is an 18-month career accelerator program designed to prepare high-potential employees for senior leadership roles. The program combines a variety of development experiences, including offline learning modules, strategic projects, networking opportunities, mentoring and career planning.

As part of the Horizons program, teams are formed to work on specific business projects over six months. These projects are based on current, real-life business topics, allowing participants to contribute ideas to the business and products, or to identify solutions to address challenges. At the end of this period, they present their ideas and explain how they would implement the project. These proposals are then applied to the business. Participants also attend four multi-day, face-to-face events that are integral to the program's immersive and collaborative approach.

The first 37 graduates completed the program in December 2019. The second wave, consisting of

25 participants completed the modified program, due to the pandemic, in May 2022. The third wave commenced in December 2023 and is expected to conclude in 2025. This cohort is diverse, consisting of 30 participants, including 9 women. For the first time, we are collaborating with ESMT Berlin (European School of Management and Technology) to leverage cutting-edge insights from one of the world's top business schools to benefit our company.

In the Polymer Processing Solutions Division, Loop 5 of the two-year OMF+ program commenced in September 2022 and concluded in November 2024. Throughout the program, 32 high-potential participants are engaged in strategic projects, webinars and on-site training. Additionally, mentoring sessions are conducted at various locations during the program's duration.

LABOR MANAGEMENT RELATIONS, FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

GRI 402-1, GRI 2-30; GRI 407-1

Oerlikon has operations in 38 countries and respects the legal rights of its employees to form, join or refrain from joining worker organizations, including labor organizations and trade unions. Oerlikon complies with applicable local laws worldwide regarding employee and third-party involvement, and will not discriminate based on an employee's decision to join or not to join a labor organization.

Oerlikon respects the rights of employees to organize and makes managers at all levels aware of those rights. The company's long-standing belief is that the interests of Oerlikon and its employees are best served through a favorable, collaborative work environment with direct communication between employees and management. Oerlikon endeavors to establish these kinds of favorable employment conditions, to promote positive relationships between employees and managers, to facilitate employee communications and to support employee development.

Oerlikon also respects its employees' rights to take part in collective bargaining. We abide by legally-binding collective agreements. We also ensure that employee representatives do not suffer discrimination and that they have open access to members in the workplace.

¹ uDoc is the internal Oerlikon branding for UKG document management, the employee personal document management and document library system.

For its employees who are not covered by collective bargaining agreements, Oerlikon determines their working conditions and terms of employment based on local employment conditions in line with local laws and regulations.

An estimated 47% of our employees were covered by collective bargaining agreements in 2024 (2023: 45%).

Pertaining to minimum notice periods regarding operational changes, we have refrained from providing more detailed information as each local agreement is subject to local laws and regulations. Overall, we satisfy the minimum legal requirements in each respective country, and in some countries, we even exceed the minimum requirements set by local laws.

INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED

GRI 203-1, GRI 3-3

Oerlikon has a global footprint of 199 sites in 38 countries. Oerlikon's presence in communities throughout the world gives us a global outlook on how social and service needs vary from one country or community to another. Our local teams identify opportunities to engage with local communities and give back through a combination of fund-raising and volunteer efforts.

In 2024, we continued to encourage community engagement and volunteer initiatives, both locally and worldwide, to respond as needs arise.

Our team in Brazil rallied together on Children's Day to collect generous donations of toys for institutions supporting children in vulnerable situations. Through this initiative, our Brazil team members spread joy with their contributions and created a special occasion for the children.

Furthermore, in Brazil, our colleagues donated boxes of chocolates to the philanthropic institution Lar Mãe Maria. The colleagues managed to collect a large quantity of chocolates that exceeded their donation goals for the institution, which shelters children and adolescents who are victims of abandonment, abuse and social vulnerability.

During the weeks of heavy rainfall in the state of Rio Grande do Sul, the Brazil team united to assist flood victims. The tireless dedication and teamwork of employees provided crucial aid to those in need and helped rebuild the state. The main items donated included water, food, clothes, shoes, blankets and other essential products for the victims.

In Brazil, our colleagues supported Obra Social São Francisco Xavier (formerly known as Lar São Francisco) in Diadema. The organization provides free services to children and adolescents aged 6 to 15, including developmental programs and other activities. Our team donated soft drinks for the Christmas lunch in December, as part of a joint effort to provide a more joyful and welcoming Christmas for the children and young people of the Obra Social São Francisco Xavier.

In India, our colleagues supported underprivileged students in remote villages in the Pune district by providing them with educational materials. We also provided equipment for a school in Tumkuru near Bangalore, constructed another floor for the Pune Talegaon Orphanage School and built a school block in a rural area near Chennai. These efforts are aimed to create pathways for children in rural areas to pursue education, seek better careers and improve their quality of life.

Our colleagues in India also donated an e-rickshaw vehicle to provide safe transportation for patients and their caretakers from elderly living homes to hospitals. This ensures better access to medical care, enhancing the well-being of the residents.

With October being Breast Cancer Awareness Month, Oerlikon offices around the world held various activities to show support, educate and spread awareness for this important cause. All our sites across the US celebrated this cause on October 10 by wearing pink to work to show support. The US Westbury team joined more than 77 000 individuals to walk along the Jones Beach boardwalk for the annual Making Strides Against Breast Cancer fundraiser. The event brought a tremendous sense of unity and purpose that could be felt by everyone who participated. Being a part of such events serves to foster an environment of support and solidarity, raises breast cancer awareness and encourages a proactive approach to health and wellness.

Our colleagues in the Philippines participated in Brigada Eskwela, an annual program held by the Department of Education where communities come together to prepare schools for the upcoming academic year. The team donated essential cleaning materials and hygiene kits to a local elementary school to provide a clean, safe and conducive learning environment for the students.

In Thailand, employees decided to introduce an eco-friendly event concept under the theme of “We care for a sustainable society”. In 2024, the team chose to participate at the Amata City Run 2024 to promote a healthier and happier lifestyle. They also collected donations for public organizations and charities.

Our colleagues in Thailand also took part in a charity golf event with Dana Spicer to contribute to the Ramathibodi Hospital (Ramathibodi Foundation). This event is held annually under the slogan “The giving is never-ending.” The event serves as an effort to improve medical care to help patients have better access to treatments.

In Italy and Switzerland, the luxury team fostered partnerships with leading fashion universities, supplying accessories to support students’ creative journeys. They also collaborated with local schools and universities, such as SUPSI, to offer internships and facilitate thesis projects, underlining our commitment to empowering the next generation of talent through education.

Building on their dedication from previous years, our team members in Italy continued their regular fundraising efforts to support I Bambini delle Fate. This community organization provides essential financial assistance to individuals living with disabilities or neurodivergent conditions, helping to make a meaningful impact on their lives.

As these examples demonstrate, engaging with local communities and performing philanthropic and charitable work are not just core corporate values at Oerlikon, they are also central to the feelings of personal responsibility to society found in many of our employees. We support and applaud their generosity in engaging with and providing services to their communities.

Health & Safety

GRI 3-3

OCCUPATIONAL HEALTH & SAFETY

GRI 403-1

Oerlikon's ongoing health and safety (H&S) oversight is designed to maintain an attractive and safe workplace for our employees, as mandated by the Group's Executive Committee and Board of Directors (BoD) and in keeping with our core values.

As our "Zero Harm to People" target suggests, we strive to ensure that no direct or indirect employees, contractors or visitors come to harm at Oerlikon's sites or while working for us at external locations. This ethos extends to our impact on the communities in which we operate. In keeping with the principle that all injuries and occupational illnesses can be avoided, we implement workplace programs that promote health-conscious behavior.

To fulfill our commitment to providing a safe and healthy working environment, we engage in ongoing actions to:

- Continually improve Oerlikon's HSE performance.
- Meet or exceed legal and Oerlikon's HSE requirements.
- Assess and manage all risks in relation to H&S.
- Work systematically to apply the parameters, processes and tools defined by the Group-wide, division and local H&S directives and guidelines, and within the scope of an H&S management system.
- Provide relevant H&S training to all employees.
- Conduct regular performance reviews.

H&S is a core component of Oerlikon's Code of Conduct, which is detailed in the Ethics & Integrity section of this report (page 79 to 84). Oerlikon's Health, Safety and Environmental (HSE) Sustainability Policy was launched in 2016. In January 2022, we formally integrated our other sustainability efforts and HSE into a new policy: the Sustainability & HSE Policy. Oerlikon's intent, ambitions, commitments, actions, roles and responsibilities and governance concerning sustainability, health, safety and environment are defined in the policy, whose key messages appear on page 78 of this report and at www.oerlikon.com/en/sustainability/our-policies.

HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT INVESTIGATION

GRI 403-2; SASB RT-IG-440a.1

Our H&S management system governs Group-wide H&S practices as outlined in a 21-chapter document that covers a spectrum of H&S, risk management and wellness topics (see box below). Many of these topics are further detailed in Group guidelines and supplemented by division, business unit and business line standards and procedures regarding HSE risks or processes.

We require all sites to conduct a legal HSE compliance check annually, and these undergo thirdparty reviews every other year. Our system maintains meticulous records that track incidents of and

Key Health and Management System Topics

- | | | |
|--|---|-------------------------------------|
| 1. Visible Safety Leadership | 8. Hazardous Work Activities | |
| 2. Hazard Identification, Risk Assessment & Mitigating Actions | 9. Performance Monitoring | 15. Management Review & Planning |
| 3. Legal Obligations | 10. Contractor Safety Management | 16. Design Safety |
| 4. Introduction & Training | 11. First Aid, Emergency Preparedness & Response | 17. Document & Records Management |
| 5. Good Housekeeping | 12. Learn & Share | 18. Industrial Hygiene & Monitoring |
| 6. Roles, Responsibilities & Accountability | 13. Management of Process Change | 19. Health and Wellness Issues |
| 7. Safe Working Procedures | 14. Accident, Near-Miss & Unsafe Situation Reporting, Investigation & Corrective Action | 20. Occupational Rehabilitation |
| | | 21. Audit & Compliance |

responses to work-related injuries and significant near misses, all of which must be reported to top management and Group HSE within 24 hours. This approach facilitates precision in response and prevention.

Stressors Identification and Exposure Monitoring

All our divisions and sites must have processes in place to identify the work environmental stressors that are to be monitored (see box below). Each site is required to undertake environmental stressor (hazard) identification and determine whether monitoring is needed, and if so, what type of monitoring is appropriate.

Approach to Hazardous Substances

In our coating R&D, equipment and services, a global process directive determines the requirement for the ordering, use and disposal of dangerous products. Dangerous products are substances, preparations, mixtures and solutions that have dangerous characteristics for people (e.g. poisonous, irritating, etc.) and for the environment (e.g. inflammable, environmentally harmful, etc.) and may therefore involve specific risks. The directive clearly outlines the approach and preventive steps taken in handling such substances:

- Before a (dangerous) product can be used at a workplace for the first time, either for tests at the laboratory level or in the production process, advice on health, safety and the environment must be provided by the local HSE Manager.
- A list of banned and restricted chemical substances that have a major negative influence on health and the environment has been established. When requesting these banned and restricted

chemical substances, the reason why no other chemical product can be used must be submitted. For every product used, a check against the banned and restricted list has to be performed. In the event that a banned and restricted product is used, an alternative must be sought, and the banned and restricted product replaced. This search has to be documented.

- For some chemicals that have been reviewed and deemed acceptable, a global exception exists, and the sites do not have to search for alternatives.
- In handling waste, there must be a map clearly indicating storage areas, which are posted at multiple locations on site so that no one has doubts about where to put which kind of waste. All employees have to be trained in the handling of waste, including where to put which kind of waste, separate and different waste streams, the dangers of the waste, etc. If the waste is treated internally after usage, for instance by evaporation, the safety professional has to make sure the facility in question has the necessary permits to carry out this activity. The remaining waste after internal treatment and the waste, in general, has to be collected and treated by a certified contractor.

Approach to Noise and Air Quality

Noise and air quality are potential stressors. If they are identified at the workplace, preventive measures will be implemented, such as noise reduction initiatives or providing ear protection.

In terms of air quality, specific dust measurement programs in collaboration with national authorities for the coating process may take place in addition to locally required workplace investigations. Technical measures to reduce dust and rules for personal protective equipment are updated regularly where necessary. This applies equally at customer facilities using Oerlikon’s equipment and in our own coating centers.

HSE Policy and Incident Management

Oerlikon’s HSE Committee establishes the company’s HSE guidelines and processes, drives the implementation of related programs and monitors their performance. The team, led by the Head of Group Operational Sustainability & HSE, works across all sites and businesses. Standardization of HSE practices across the Group is facilitated by an online tool used to track and assign tasks to sites and to

STRESSORS MONITORED INCLUDE:

- Toxic/hazardous material exposures
- Atmospheric contamination
- Noise
- Air quality
- Ventilation
- Vibration
- Temperature
- Flammable gases
- Fire
- Radiation
- Ergonomics
- Lighting/illumination

follow up on their implementation via an HSE-balanced scorecard. For each site, Oerlikon tracks initiatives on training, safety leadership and risk management, and conducts HSE compliance checks.

We regard every Oerlikon employee as being responsible for understanding our H&S policies and making them a reality in practice within our workplaces. Our managers, in particular, have a duty to lead in this regard, and we provide support and oversight via an H&S team of specialists who facilitate Group-wide implementation and monitoring of all related topics.

WORK-RELATED INJURIES

GRI 403-9; SASB RT-IG 320a.1

Oerlikon's key performance indicator for safety is our rate of recordable work-related injuries, referred to internally as the total accident frequency rate (TAFR), which is based on 200 000 hours worked by employees (including temporary workers but excluding independent contractors). We find it to be a good indicator because it encompasses accidents and medical treatments that did and did not lead to lost time. H&S data in 2024 includes a few small offices that provided the data.

We established a TAFR target for 2030 that was published in the Sustainability Report 2020 and uses 2019 as our baseline year. In 2024, Oerlikon's TAFR was 0.50, which is a reduction of 43% compared to 0.88 in the 2019 baseline year and notably marks the achievement of our 2030 target six years ahead of the plan. Compared to the initial baseline set in 2016, there has been an aggregate 62% reduction.

At Oerlikon, we consider TAFR to be comparable with the total recordable incident rate (TRIR) since the actual number of cases where illnesses did not result from accidents is low.

The Group also tracks the number of calendar days lost per each Lost Time Accident (LTA) per 200 000 hours worked. For 2024, this LTA severity rate was 16.93, a 13% decrease over 2023 (at 19.55), attributed to the reduction of high-consequence work-related injuries from three to two cases.

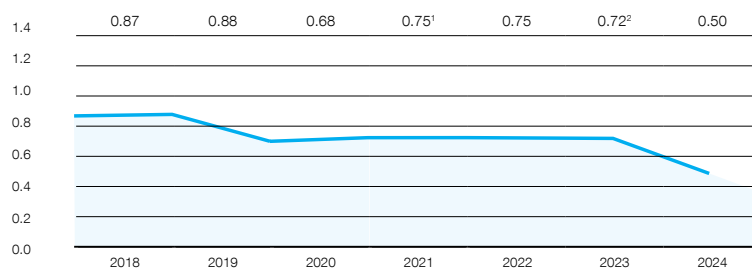
Oerlikon covers a broader scope than just near-miss incidents and takes into consideration unsafe situations, which can be unsafe acts or conditions, and safety suggestions (referred to internally as "near misses and unsafe situations" – NMUS).

In 2024, to increase employees' engagement in H&S, we doubled the internal target for employees to report NMUS, which led to an increase of identified cases. As a result, the NMUS frequency rate increased by 41% to 69.1 (2023: 48.9). Each time that an observer reports a NMUS, it can help to decrease the likelihood of a subsequent accident/serious injury, thus it is an important contributor to our TAFR reduction. In 2024, the fatality rate for work-related fatalities remained at zero.

The number of contractors employed by Oerlikon is relatively low compared with other industries. At Oerlikon, we use contractors mainly for equipment and facility maintenance and repair. To our knowledge, there were 2 work-related accidents or fatalities recorded by contractors in 2024.

Oerlikon continues to monitor these indicators closely and is always seeking new opportunities to

TAFR (12-month rolling)



¹ Excluding acquisitions, TAFR was 0.72.

² Excluding acquisitions, TAFR was 0.60.

strengthen our performance and improve the health, safety and well-being of every member of our team.

We comply with the GRI 403 Occupational Health and Safety 2018 standard by defining high-consequence work-related injuries in terms of recovery time instead of lost time to determine an injury's severity. Recovery time refers to the time needed for a worker to recover fully to pre-injury health status. We currently do not measure recovery time but intend to implement a process to track it. In 2024, we had 2 such cases of work-related injuries (2023: three cases).

WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

GRI 403-5

"No person is allowed to work for Oerlikon or to visit an Oerlikon site without having received adequate safety instruction and training." This is the first of our five golden health and safety rules, which clearly states that new employees must receive adequate training before being approved to work at any of our sites.

Training covers site-specific rules, such as walkways and speed limits, and workplace-specific rules, such as personal protective equipment. Testing at the conclusion of training is recommended but not mandatory. The trainer and trainee must sign a written confirmation that training was conducted.

To reinforce safety in leadership, we piloted a safety leadership training module in 2022 covering topics such as the Sustainability & HSE Policy, 5 golden safety rules, H&S responsibilities, hazard identification and risk assessment, behavior-based safety, safety moments, NMUS and accident investigation. In 2023, we rolled out the training program, which continued in 2024. To date, over 570 managers, including the management teams of both divisions, have been trained.

As part of the H&S program, all employees at production sites received their annual safety training, either as an initial training session or as a refresher. The annual safety training covered topics such as cutters, hand safety, fire safety, cranes, forklifts and ergonomics.

Since 2015 – except for 2020 due to pandemic safety concerns – Oerlikon has hosted an annual global HSE Day designed to address areas of existing or potential concern. HSE Day themes have included risk/hazard identification, ergonomics, safe driving, fit4life (which encouraged physical activity, healthy eating and getting sufficient sleep), stress management, avoiding toxic substances, well-being and resilience and, in response to COVID-19, strategies for preventing infection and coping with the mental health impact of the pandemic.

For 2024, employees worldwide participated in the HSE Day activities and training related to the theme Fire Safety. The essence of the theme was to reinforce the mindset that each and everyone needs to take personal responsibility for occupational health and safety. Beginning with a conference session on accountability that was chaired by the country presidents or site general managers, employees were then invited to openly discuss the topic. Further workshops on specific topics were organized for smaller groups.

To further highlight the importance of safety at work, in 2024 an awareness poster campaign on the topic of "Safety matters!" was carried out, focusing on safe operation of lift trucks, safe maintenance operations and fire safety. All posters where available in 28 languages. Moreover, a H&S awareness card was handed out to employees, providing information on a simplified risk assessment method and our 5 golden H&S rules.

OCCUPATIONAL HEALTH SERVICES

GRI 403-3

We organize occupational health services at legal entity or site level in accordance with local regulations. Oerlikon appoints a local, usually external (third-party) doctor to provide services.

The majority of these doctors work off-site, but a number of doctors have a more permanent presence and provide in-house services at a few of our larger facilities. Appointed doctors regularly attend H&S committee meetings organized by local management to evaluate problems, issues and potential areas of improvement.

Oerlikon's H&S management system requires that all sites establish and maintain an industrial hygiene

program that, with full medical input, anticipates and monitors workplace environmental stressors that may cause illness or disease. This allows us to implement mitigation actions, where needed. At sites where employees work with permitted hazardous substances or face air quality issues, we regularly monitor the health status of the employees by means of preventive medical checkups.

We respect the confidentiality of all employee health- and safety-related information in accordance with local labor laws and data privacy regulations. The Group's Data Protection Officer has established stringent internal data privacy procedures and regularly provides information and training on the topic.

WORKER PARTICIPATION, CONSULTATION AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY

GRI 403-4

Oerlikon operates 199 sites in 38 countries, each governed by local labor and labor-related laws and regulations regarding worker participation, consultation and communication. Workers' participation and consultation are set up in compliance with regulations that differ by locality.

Almost all sites have H&S committees to address health and safety topics. Due to the different local regulations, there are differences in the details of how participation, consultation and communication are done. Generally, committee members include workers' representatives, a representative from management, an H&S officer and a company doctor.

Meetings take place regularly several times per year (in many countries on a quarterly basis). Oerlikon's H&S management system requires concerned personnel to be involved in the risk assessment process and in investigations of accidents and incidents, and to share lessons learned.

To enhance awareness and communication, safety moments, which are brief discussions on a safety-related topic, are held at the beginning of a work shift to remind employees about safe practices and issues related to safety. This practice extends to both Oerlikon and customer sites that operate the systems.

PROMOTION OF WORKER HEALTH

GRI 403-6

In the majority of the countries where Oerlikon operates, public health systems are in place to meet Oerlikon employees' need for non-occupational medical and healthcare services.

Safety measures that Oerlikon initially implemented in response to COVID-19 have now been integrated into our overall approach to workplace health and protecting employees from infectious diseases. These strategies apply equally to emerging health risks and to long-standing seasonal viruses. We continue to offer free flu vaccinations worldwide, and although participation is voluntary, we encourage employees to protect themselves, their coworkers and their families by getting the flu vaccination.

WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

GRI 403-8

Oerlikon's safety rules also apply to indirect employees, such as short-term contractors or technicians servicing machinery. Visitors must review and sign an acknowledgement of the safety instructions before being admitted to a site. This is consistent with our practice of making no health and safety management distinction between direct, permanent staff or temporary members of our workforce who are employed by outside agencies but whose work is controlled by Oerlikon (within legal limits).

Our accident rates cover both types of employees in the same way. Temporary workers accounted for 5% of work-related injuries in 2024 (2023: 1%). Those figures correspond to the proportion of their representation within our total workforce in 2024.

Likewise, we apply the same safety standards for contractors we hire to work at our premises or on customer sites and make the same commitment to their health and safety.

PREVENTION AND MITIGATION OF OCCUPATIONAL HEALTH AND SAFETY IMPACT DIRECTLY LINKED BY BUSINESS RELATIONSHIPS

GRI 403-7

Oerlikon adopts the highest standards in ensuring the safety of our products and services within our operations and for customers. We apply these standards from the product design phase through production, assembly, packaging, labeling, training, delivery and on-site customer service.

We also use a certified quality management system to ensure quality standards. If potential dangers cannot be completely avoided when using Oerlikon products, Oerlikon clearly indicates this with health and safety warnings. When transporting products or materials, we adhere strictly to international and local trade, export, packaging, transportation, labeling and declaration paper regulations.

Oerlikon products and services can be clustered into three business models that cover 100% of Oerlikon's sales:

- Machinery and equipment.
- Materials.
- Coating as a service/components/AM.

For all three categories, Oerlikon has in place comprehensive safety measures, including safety directives, safety data sheets (SDS) and product manuals. Safety is defined and ensured from the very beginning – from the design stage all the way to ongoing customer support after delivery of the equipment/product. See the table below (page 65) for further details. In addition, all Oerlikon sites fully comply with international and local safety standards (see list on page 68).

Equipment

Oerlikon's equipment is basically built according to European standards and regulations and thus

Oerlikon Approach to Product Safety

Oerlikon products and services are clustered into three business models:
1) Machinery and equipment 2) Materials and 3) Coating as a service/components/AM.
They cover 100% of Group sales.



Machinery & Equipment



Materials



Coating as a Service/ Components/AM

Polymer Processing Solutions	Surface Solutions	Surface Solutions	Surface Solutions
Ensure compliance with key global regulations: REACH, RoHS, etc.			
<p>Directive on Machinery Safety:</p> <ol style="list-style-type: none"> 1. Transport 2. Assemble/install/test 3. Commissioning 4. Operation/use 5. Decommissioning 6. Disassembly 7. Disposal 	<p>Regulatory compliance:</p> <ol style="list-style-type: none"> 1. Safety data sheet software updated for regulations 2. Product development/training 	<p>Regulatory compliance:</p> <ol style="list-style-type: none"> 1. Coating development & testing 2. Industry standard regulations and accreditations 	
<p>Stages:</p> <ol style="list-style-type: none"> 1. Design/customization/risk 2. Support and training 3. Final checks 4. User manuals and safety data sheets 5. Ongoing support 	<p>Stages:</p> <ol style="list-style-type: none"> 1. Quality control (test) and packaging 2. Safe transportation 3. Safety data sheets 4. Customer support/training 	<p>Stages:</p> <ol style="list-style-type: none"> 1. Quality control (test) and packaging 2. Safe transportation 3. Safety data sheets to customer 4. Customer support/training 	
Machinery/equipment manufactured by Oerlikon and operated by customers	Materials (e.g. powder metals) manufactured and blended by Oerlikon and sold to customers as consumables	Customer manufacturers components and sends them to Oerlikon. Oerlikon coats them to specification and sends them back to the customers	

meets one of the highest safety standards in the world and, at the same time, fully adheres to the regulations of the countries in which the products are sold, delivered and used.

Risk Assessment and Precautionary Principle

All equipment undergoes a risk analysis during development as well as during modification over the lifetime of the equipment. The risk assessment is comprehensive, covering technical, operational, health and environmental risks, and addresses all risks and mitigation actions needed. The effectiveness of these actions is then tracked during the project. A final check of the complete risk mitigation is a prerequisite for the final sign-off of the equipment before the product is placed on the market.

Directives on Machine Safety (MS) are in place for both Polymer Processing Solutions and Surface Solutions, following the ISO 12100:100 Safety of machinery – General principles for design as the authoritative specification, without being limited to them. The directives are guided by a closed-loop concept (see chart below) that considers legal requirements, as well as audits at both unit level and division level.

These internal directives clearly define the concept, structure and roles of responsibility for ensuring

product safety. Safety is one of our essential principles, and the directives inform and enforce our commitment to protecting the safety of persons handling our products at Oerlikon or customer sites worldwide.

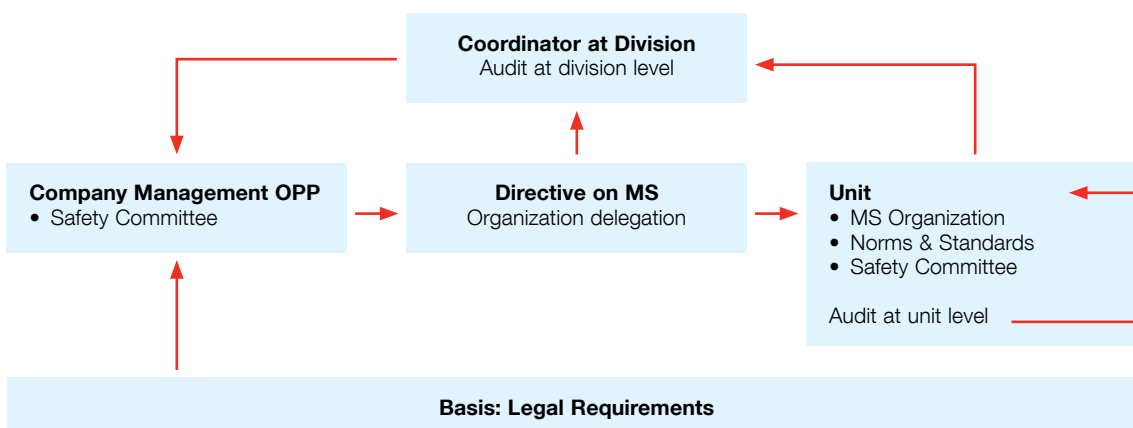
At the division and unit levels in the Polymer Processing Solutions Division, there are also Safety Committees being set up with clearly defined processes and actions to monitor machinery safety issues and determine appropriate escalation steps when required.

In addition, risks originating from the design or production process are assessed and taken as the basis for the equipment risk assessment. For equipment from acquired companies, the risk assessment is performed during the due diligence process or after the acquisition.

Ensuring Safety from Innovation to Delivery

Safety concepts are created for each system and are applied at each phase of the innovation process, from feasibility and verification through equipment and process safety. Manuals in all required languages are available, which highlight residual risks and aspects on which the operator needs training. Checklists for starting up safety-relevant components are maintained for each system and docu-

Safety Concept for Machine Safety at Polymer Processing Solutions



ment final checks before handing over a product to a customer. For the European Economic Area (EEA), CE certification is the final step. All these documents are delivered with the equipment to customers.

If incidents are reported, we take the following actions, if required:

- Perform accident analysis with the customer.
- Adapt safety concept.
- Send out technical information/safety information to all customers concerned for prevention.

The incident will become a product sustainment CASE, which will send the technical and safety information to all customers worldwide to prevent and track safety or other issues if they occur.

Moreover, equipment maturity program projects are executed for older versions of machines and for machines from acquired companies if our required levels of safety standards are not implemented.

After delivery of the equipment, we continue to monitor the products for systematic recording and processing of potential risks and detected accidents. Reports on near-miss incidents and customer product observations provide us with feedback that results in mitigation actions or flows back into product development for design improvements.

Customers from both Surface Solutions and Polymer Processing Solutions receive training via extensive documentation, including on residual risk (using an operational manual). We organize regular internal safety events and training on machinery safety. All employees in engineering are trained by the safety department during onboarding and complete regular refresher courses.

Materials

SASB RT-IG-440a.1

In our materials business, we regularly check on and enforce our products' full compliance with all relevant regulations, including the EU's regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and the EU's Restriction of Hazardous Substances (RoHS) regulation.

Products that are not compliant are replaced before introduction on the market.

For all our materials sold, we provide customers with SDS prepared in strict compliance with the legal requirements of the applicable country for the safe use, handling, storage and disposal of these materials. These sheets are published in all the relevant local languages and are available for download online.

The SDS provide information including:

- The national/local emergency telephone number, including 24-hour response service number.
- Composition/information on ingredients.
- First-aid measures.
- Firefighting measures.
- Accidental release measures.
- Exposure controls and personal protection.
- Toxicological information.
- Ecological information.
- Disposal considerations.
- Transport information.

The SDS are generated with software that complies with regulatory standards and is updated three to four times per year to include any new global, regional or local regulatory classifications and requirements. Our team of materials experts' network with industry groups and consultants to exchange information and keep up to date on regulatory and technological changes in chemicals and materials.

Coatings

All Oerlikon's production and coating centers worldwide adhere to strict H&S guidelines provided by the company. It addresses not only health issues, such as ergonomics, but also safety guidelines on how to work with machinery, materials, waste and ensure protection, such as safety glasses.

The safety and prevention procedures and processes for equipment apply to the development of coatings (both thin film and thermal spray) and to the coating processes – both at customer facilities using Oerlikon equipment and in our own coating centers:

- Risk analysis is performed before the start of a development project.

- There are clear specifications regarding the basic materials and substances of the coating, which are subjected to regular supplier audits.
- The layer specifications are determined to ensure the absence of hazardous substances and/or are compliant with limit thresholds defined by standards, such as REACH, RoHS or the minimization principle applied at Oerlikon.
- In the event that the coatings or coating processes generate air particles, specific dust measurement programs in collaboration with national authorities for coating processes may take place in addition to locally required workplace investigations.

All employees are trained to comply with the rules for the use of personal protective equipment, where required, and these rules are regularly updated.

Contractor Safety

Contractors working at an Oerlikon site must work in a safe way. In 2022, we began the global implementation of a guideline that sets high-level requirements for contractor safety and outlines the minimum requirements for contractor safety management that each site must apply when outsourcing jobs and services to contractors. We

have established standards for contractors in construction works, facility management, machine installation, maintenance and repair, building maintenance work, industrial services (e.g. transport and packaging) as well as building and commissioning work.

These guidelines apply to direct contractors and to contractors appointed by the landlord for leased sites. The contractor selection process must be completed in close cooperation with the local procurement department, and the contractor's safety record, as well as self-information and its health and safety management plans and references, must be provided and considered before the contract is granted.

OERLIKON COMPLIES FULLY WITH INTERNATIONAL AND LOCAL SAFETY STANDARDS, INCLUDING:

- CE conformity for all equipment, including ISO standards (personal and equipment safety); the CE marking (an acronym for the French "Conformité Européenne" certifies that a product has met EU health, safety and environmental requirements, which ensure consumer safety)
- Machinery Directive (2006/42/EC)
- Low Voltage Directive (LVD) (2014/35/EU)
- Electromagnetic Compatibility (EMC) Directive (2014/30/EU)
- Radio Equipment Directive (RED) (2014/53/EU)
- Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)
- Restriction of Hazardous Substances (RoHS 2) Directive (2014/65/EU)
- Germany: Technical Rules for Hazardous Substances (TRGS)
- Pressure Equipment Directive (PED) (2014/68/EU)
- ATEX Directive (2014/34/EU)
- USA: Underwriters Laboratories (UL) (as per request)

Responsible Sourcing & Human Rights

GRI 3-3

SUPPLIER CHAIN & SUPPLIER SOCIAL ASSESSMENT

GRI 2-6; GRI 414-1,2

Responsible sourcing at Oerlikon involves an ongoing investment in strong supplier partnerships. These are key to ensuring that we are able to maintain our research and production timetables, sustain uninterrupted operations, deliver on our obligations to customers and employees and minimize environmental impact and risk.

Oerlikon's supplier engagement model supports these objectives in a manner consistent with our guiding principles:

1. Sharing risk.
2. Embracing best practices and the open exchange of ideas.
3. Conducting open and regular discussions to foster unified expectations.
4. Streamlining processes to deliver excellence.
5. Cultivating trust and mutual satisfaction in meeting challenges together.

We select suppliers who share our values and demonstrate an unwavering commitment to upholding high ethical standards. Their operations and processes must integrate seamlessly with our own in terms of sustainability and conformity with world-class standards of management.

Once identified, all prospective and new suppliers are invited to go through our five-stage relationship management process. Oerlikon pursues relationships only with suppliers that complete this process and agree to adhere to our Supplier Code of Conduct.

The Oerlikon Supplier Code of Conduct, available in English, German, Spanish, Italian, Chinese, French, Hindi and Portuguese, is publicly available for download on our corporate website and sets out our baseline requirements for supplier and subcontractor business ethics as well as legal and regulatory compliance, including:

- Human rights and social standards, such as those concerning child labor, discrimination, diversity and inclusion.

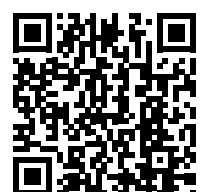
- Health, safety and environmental protection, such as process security and product safety.
- Appropriate business practices, such as trade compliance and responsible sourcing of minerals and metals.
- Governance, such as risk management and access to remedy.

In 2023, we published an updated Supplier Code of Conduct in the eight languages. It formalizes our commitment to include sustainability as an essential part of our procurement strategy. The updated Supplier Code of Conduct is available at: (www.oerlikon.com/en/sustainability/our-policies/) and was rolled out successfully to the divisions in 2023.

At Oerlikon, responsible sourcing entails obtaining the best value for the materials, goods and services we purchase and maintaining the highest ethical standards in dealing with suppliers. Value includes the total cost of ownership, price, quality, logistics and service. This is essential in order to achieve sustained cost reduction and innovative capabilities, while mitigating risks in our supply chain and optimizing our net working capital.

A defined set of direct and indirect material (DM and IM) categories is managed by an integrated global organization. It employs a project-driven approach to maximize efficiency and continually reduce costs in order to enhance Oerlikon's profitability.

The Global Category Leader is responsible for defining DM or IM category strategies and monitoring their implementation in close collaboration with divisions and sites. The Key Procurement Manager, the Regional Head of Procurement and



Oerlikon's Supplier Code of Conduct

the Category Buyers are responsible for executing the relevant sourcing projects in line with the category strategy. The Regional Procurement Organization is defined in three main regions: the Americas, Europe and Asia-Pacific. Hence, this footprint represents the geographic locations of our suppliers. Due to confidentiality constraints, we do not disclose the proportion of spending on local suppliers. Generally, 65% of our total spend is for direct materials and 35% for indirect materials.

EcoVadis

In 2021, we began the process of elevating our responsible sourcing to the next level by using EcoVadis as our partner and framework for sustainability assessment.

EcoVadis provides companies with the means to assess the corporate sustainability performance of their suppliers and other companies that have

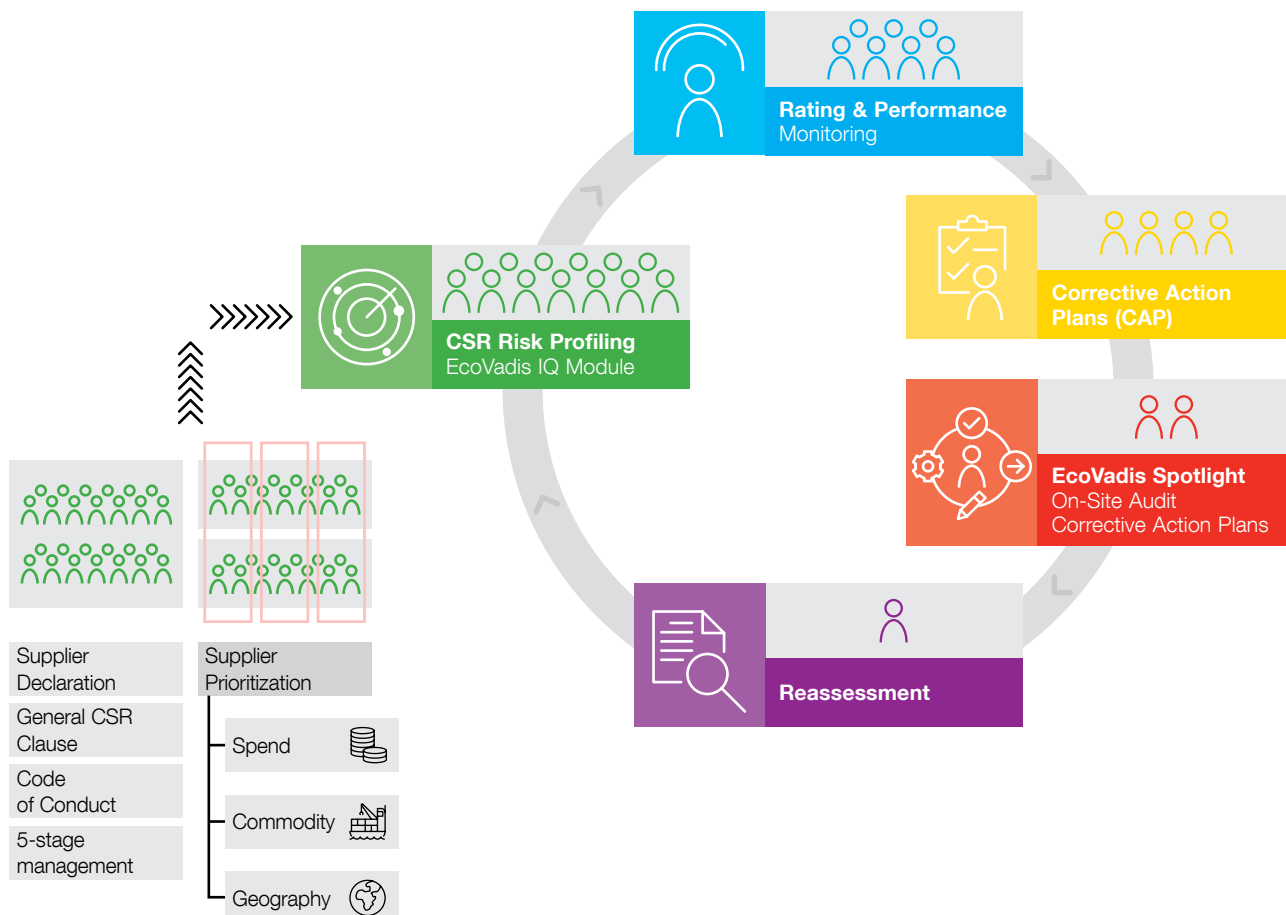
decided to share their ratings within the EcoVadis network.

By collecting data from suppliers and validating these data through independent means, we can obtain aggregated performance reports, as well as individual scorecards with holistic risk profiles using EcoVadis’ corporate social responsibility (CSR) risk profiling IQ module.

Our collaboration with EcoVadis enables us to tap into their resources to enhance the transparency of our supply chain, ensure compliance with regard to global regulations and laws and strengthen the mitigation of potential risks.

As a first step, we completed the Sustainable Procurement Maturity Review with EcoVadis. The maturity review refers to the maturity of each of the defined five roots: vision & goals, governance & resources,

EcoVadis Assessment Process



policies, procedures & processes, capacity building & continuous improvement and reporting.

The review identified governance and resources as “the most mature root” at Oerlikon and noted our “strong program sponsorship and a robust procurement program.” The areas of improvement identified from the review include developing our sustainable procurement strategy and goals, cascading sustainability as a mandatory requirement within the global procurement organization and setting internal KPIs/targets, as well as formalizing and monitoring the progress.

This result reflects the fact that our procurement strategy in past years has been focused on ensuring the quality and reliability of suppliers and their compliance with international and local laws and regulations. With EcoVadis, we are essentially expanding our procurement strategy to make sustainable procurement another key criterion in managing our supply chain.

In 2022, we took the next step in our sustainability journey, mapping out our goals in our Sustainable Procurement Roadmap from 2022 to 2030 in order to provide us with a plan on how we want to evolve our sustainable procurement over the next few years. The roadmap covers our intentions to develop the program and hone leadership through training and engagement and it sets improvement goals and individual KPIs.

As part of our expanded procurement strategy, all Oerlikon commodity managers must complete the sustainable procurement training via an EcoVadis webinar, and the program is to be cascaded within the divisions. In addition, the procurement team is trained on the differences between EcoVadis IQ (risk mapping) and EcoVadis rating (performance monitoring and corrective action plans).

In 2024, we completed the EcoVadis rating process for rated suppliers, covering 50% of mapped spending (key and strategic suppliers), an improvement from the 30% in 2023. Our goal is to cover 100% of our mapped spend by 2030. Furthermore, 70% of our suppliers improved their overall EcoVadis score in 2024, with 62% of them undergoing reassessment 3 or more times.

The EcoVadis tool also covers corrective actions, such as additional due diligence, contract clauses and monitoring, as well as on-site audits for suppliers with severe risks or specific needs.

Due Diligence

Besides EcoVadis, 100% of our global procurement colleagues are trained on Oerlikon’s Supplier Code of Conduct, and they strictly apply these standards in our assessment and selection of new suppliers. All of our suppliers must agree to Oerlikon’s Supplier Code of Conduct and to the general terms and conditions. Further training on the Supplier Code of Conduct is provided on an ongoing basis to ensure that the team stays current.

Following the acquisition of Riri, its procurement team was successfully integrated into the Oerlikon organization. The spend and KPI analyses were integrated in line with our globally standardized process, including commodity reviews, individual due diligence and risk mitigation procedures.

To strengthen sustainable procurement globally, we appointed regional Sustainability Champions in 2023. They received comprehensive training and acted as single points of contact during the implementation of our individual sustainability campaigns.

In 2024, we audited 174 of our suppliers to ensure that our Supplier Code of Conduct is respected. This was around the same level as the prior year figure (172 suppliers audited).

The response to a detected violation depends on the stage of the process. If a violation is identified during the onboarding process for new suppliers, the subject area will be addressed, and the process is promptly paused.

In the case of gaps identified during sustainability assessments conducted by EcoVadis, complete transparency is provided regarding corrective actions. Suppliers are given specific deadlines to address these gaps, and the progress is monitored by external ESG (Environmental, Social and Governance) experts.

During supplier audits, potential gaps are highlighted, and the respective suppliers are required to close these gaps accordingly. In a worst-case scenario, specific escalation processes, such as a compliance hotline, may be utilized. If the identified issues persist following a thorough investigation, a phase-out process for the suppliers will be initiated.

RISK AND MEASURES UNDERTAKEN

We address the main risks and required measures regarding suppliers by way of our collaboration with EcoVadis. The EcoVadis methodology covers 21 ESG criteria (see box below).

Similarly, the 21 ESG criteria in the EcoVadis methodology provide us with the framework for addressing anti-corruption risks and measures, including ethics, anti-competitive practices and responsible information management.

Environmental Issues	Social Issues	Governance Issues
Climate change and carbon emissions	Customer satisfaction	Board composition
Air and water pollution	Data protection and privacy	Audit committee structure
Biodiversity	Gender and diversity	Bribery and corruption
Deforestation	Employee engagement	Executive compensation
Energy efficiency	Community relations	Lobbying
Waste management	Human rights	Political contributions
Water scarcity	Labor standards	Whistleblower schemes

DUE DILIGENCE AND TRANSPARENCY ORDINANCE (DDTRO)

Under the DDTro, companies or groups that import and process volumes of minerals and metals, such as tin, tantalum, tungsten or gold, in excess of certain thresholds are subject to due diligence and reporting requirements. Companies and groups are exempt if the minerals and metals do not come from conflict-affected or high-risk areas.

Oerlikon monitors, reviews and documents its conflict metal and mineral activities on a regular basis. As a result of these regular monitoring activities, including activities of companies acquired, specifically Riri in 2023, Oerlikon has concluded that it is exempt from the due diligence and reporting obligations under Art. 964j et seqq. of the Swiss Code of Obligations (CO).

CONFLICT MINERALS & THE MANAGEMENT OF RISKS ASSOCIATED WITH THE USE OF CRITICAL MATERIALS

SASB RT-IG-440a.1

The EU Conflict Minerals Regulation (2017/821), which went into effect in January 2021, regulates trade in minerals – in particular, tin, tantalum, tungsten and gold (3TG) – that have been extracted from mines in politically unstable or conflict-affected areas. The regulation targets the human rights practices of armed movements that finance their campaigns and their weapons purchases by running mining operations that rely on forced and/or child labor.

Under the EU Conflict Minerals Regulation, EU importers of 3TG minerals must comply with and report on their supply chain due diligence obligations if they import minerals that originate from conflict-affected areas.

The EU regulation was inspired in part by the Dodd-Frank Act, a US law regarding transparency and accountability that took effect in 2010. However, it takes a more comprehensive view of conflict mining and trade. While the US law was specific to minerals sourced from the Democratic Republic of Congo and adjoining countries, the EU rule targets all countries exporting 3TG minerals to the EU and does not contain language that limits its impact to specific locations. This extends its impact beyond current conflict areas to countries or regions that may become conflict-affected in the future.

At Oerlikon, we support this regulation and have in fact taken steps that anticipated its concerns. We have instituted a Conflict Mineral policy and due diligence measures across our supply chain in accordance with voluntary efforts, such as those advocated by the OECD in its Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, as well as US legislation.

We are aware that some of Oerlikon's suppliers of materials have a history of acquiring conflict minerals in trade from multiple sources worldwide. In keeping with our commitment to corporate responsibility and upholding human rights across all operations, we are seeking to ensure that our suppliers' source 3TG minerals exclusively from mines in conflict-free areas.

We expect our suppliers to establish and implement policies and due diligence measures that assure they supply us with conflict-free 3TG products and components in compliance with the Responsible Business Alliance (RBA) Code of Conduct and our Responsible Sourcing Policy.

In support of our policy and the OECD five-step framework, we will:

- Exercise due diligence with relevant suppliers consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and following the five-step framework and encourage our suppliers to do the same with their own suppliers.
- Expect our suppliers to cooperate in providing due diligence information to confirm that the 3TG minerals they are providing are conflict-free.
- Collaborate with suppliers and others on industry-wide solutions to ensure that products containing 3TG minerals are conflict-free.
- Consistently implement this policy and make reports available, upon request, to relevant stakeholders.

We are encouraged by the EU's regulation on the sourcing of 3TG minerals as a mechanism for barring illicit trade and boosting supply chain transparency. We take pride in having enacted our own human rights measures before being required to do so by law, and we can assure our stakeholders and investors that we will continue to integrate ESG factors across our supply chain.

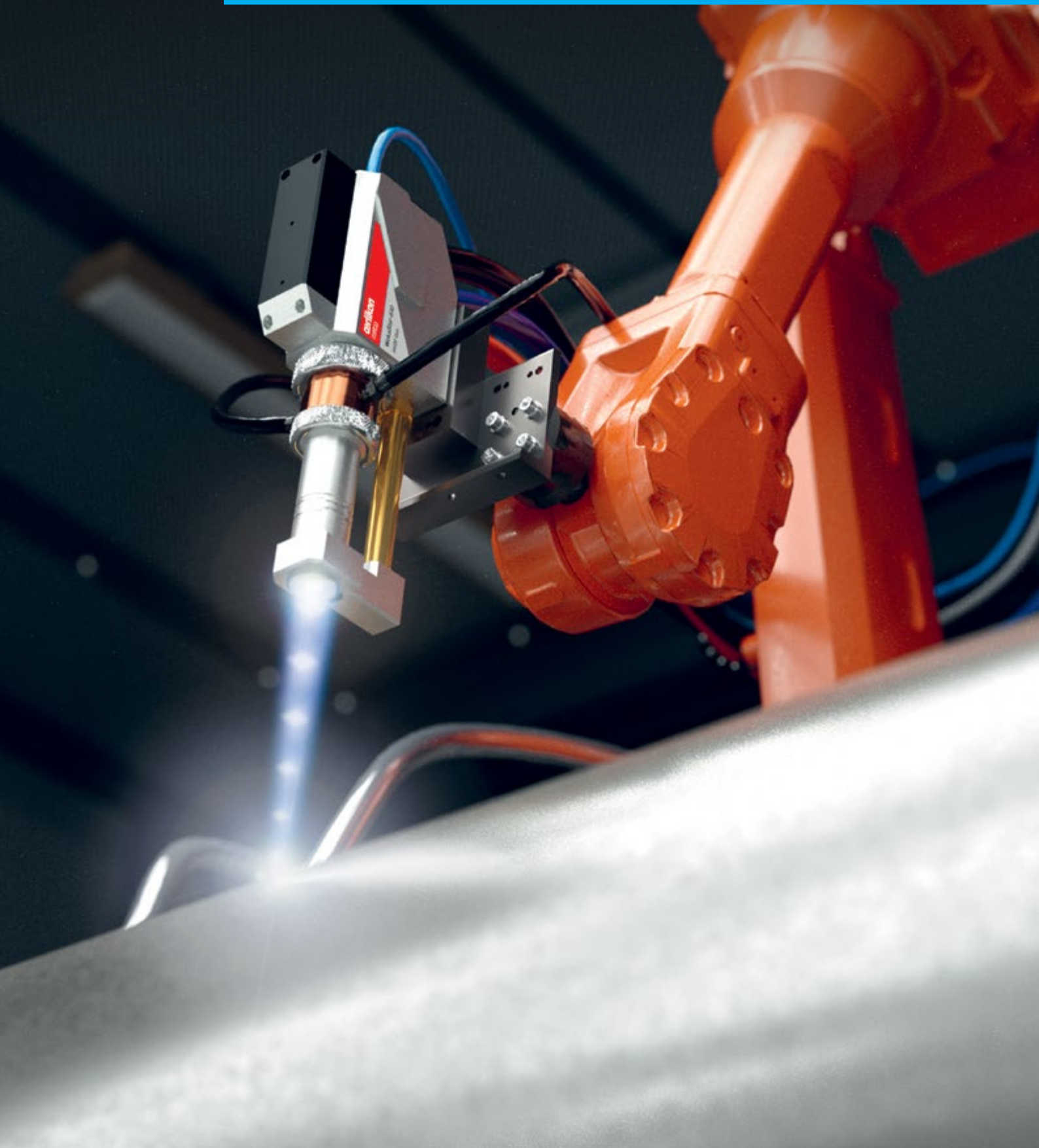
Furthermore, Oerlikon is a member of the global Responsible Minerals Initiative (RMI), which is one of the most utilized and respected resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chain (see below for details on the RMI program).

Moreover, the described downstream and upstream assessment program of the RMI is designed to provide a robust validation for customer requirements across mineral and metal value chains as well as to meet the requirements of the EU Responsible Minerals Regulation (EU Regulation 2017/821) for EU importers of 3TG that do not meet the definition of a smelter or refiner.

RMI PROGRAM

<p>Responsible Minerals Assurance Process (RMAP)</p>	<p>The RMI identifies smelters and refiners that produce responsibly sourced materials. To confirm this status, they use specially trained third-party auditors to independently verify that these smelters and refiners have systems in place to responsibly source minerals in conformance with the RMAP. A list of smelters and refiners that meet the requirements of the audit standards is published online. The audit standards are developed according to global standards including the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the US Dodd-Frank Wall Street Reform and Consumer Protection Act.</p>
<p>Conflict Minerals Reporting Template (CMRT)</p>	<p>The RMI offers a free, standardized reporting template that facilitates the transfer of information through the supply chain regarding mineral, country of origin and smelters and refiners being utilized. The template also facilitates the identification of new smelters and refiners to potentially undergo an audit via the RMAP.</p>
<p>Due Diligence Guidance</p>	<p>The RMI's due diligence working group focuses on producing white papers and other analyses and guidance for companies about best practices and various standards that address responsibly sourced minerals in the supply chain and reporting.</p>
<p>Stakeholder Engagement</p>	<p>The RMI regularly participates in public forums to provide information about the RMI and RMAP and share tools, best practices and mechanisms to identify and mitigate risks in the mineral supply chain. The RMI engages a variety of non-governmental organizations, responsible investor groups, governments and multilateral institutions to discuss emerging issues, best practices and work on addressing shared challenges. The RMI also participates in a range of multi-stakeholder groups and hosts an annual workshop to provide a forum for dialogue with stakeholders.</p>

05 Our Governance Commitment



Our Governance

05

GRI 3-3

SDGS IN FOCUS:



GOVERNANCE STRUCTURE AND BODY

GRI 2-9

As early adopters of sustainable innovation practices, we have always held the view that our solutions should minimize the environmental footprints of both our customers' businesses and our own operations. This philosophy guides our decision-making as it pertains to being an optimal global citizen and delivering sustained shareholder value.

Oerlikon is supportive of worldwide government initiatives advocating climate protection. Stricter standards of air and water quality have an impact on our business and that of our customers. At the same time, we welcome the opportunity to employ those regulatory restrictions as parameters for the ongoing redefinition of sustainable innovation, which is at the heart of Oerlikon's work. Likewise, we view corporate governance guidelines (e.g. the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*) as fully aligned with our own principles and described in detail in the Corporate Governance Report in Oerlikon's Annual Report and published on www.oerlikon.com. The company's Articles of Association can be considered as Oerlikon's "constitution", outlining the rules and regulations that stipulate the company's affairs; we have amplified these with the company's Organizational Governance Rules and the Oerlikon Code of Conduct (CoC), which clearly defines the ethical and legal framework of all our business activities.

MANAGEMENT APPROACH

GRI 2-9,10,11,12,13,16,17,18

We are meticulous in our approach to governance. Whether we are monitoring and quantifying compliance, managing risk or inviting and engaging in public discourse, our goal is to foster a company and a credo in support of the principle that innovation goes hand in hand with maintaining customers' and society's confidence and trust.

Under our Executive Chairman's active direction (for an explanation of Oerlikon's Executive Chair Model, see the Corporate Governance Report in Oerlikon's Annual Report and on Oerlikon's website www.oerlikon.com) and supported by our Board of Directors and its committees. Oerlikon holds itself to the highest standards of economic, environmental and societal performance, as well as compliance with laws, regulations and corporate policies that govern our operations and practices worldwide.

Furthermore, sustainability is endorsed and overseen by the Board of Directors. The Board's agenda covers sustainability topics throughout the year and dedicates significant time for the purpose of establishing the overall guidance for the Oerlikon Group's sustainability strategy. In this process, the Board will also delegate specific sustainability topics to its committees.

The Board has mandated a dedicated Chief Sustainability Officer (CSO), who is a member of

the Executive Committee (EC) and reports to the Executive Chairman, to monitor, align and execute the sustainability strategy. Led by the CSO, the Sustainability Management Team (SMT) works closely with the divisions and Group functions in executing the sustainability strategy, rolling out programs and action plans and increasing dialogue and awareness with stakeholders. The SMT consists of members who represent key sustainability areas – operational sustainability and environment (environment), health and safety (social), legal (governance and compliance), HR (social), communications and investor relations. The chart below provides an overview of how sustainability is embedded in Oerlikon’s Board and leadership structure.

Oerlikon is mindful of the interdependence of economic, social and environmental interests and seeks to convert this dynamic into a strength that serves its operational and societal objectives. This is a key component of ensuring that we consistently deliver long-term value creation in our daily business activities to the benefit of all stakeholders.

Sustainability is thus an integral part of our corporate culture and behavior in business as anchored in

Oerlikon’s Code of Conduct, the Success Model and Oerlikon’s Sustainability, HSE Policy as published on www.oerlikon.com.

Each employee is responsible, on an individual level, for upholding the sustainability and HSE principles, and line management is responsible for ensuring alignment in business activities and processes within their area of responsibility.

To ensure a close link to the operational part of the business and full commitment from management, Oerlikon’s sustainability organizational framework encompasses members of the strategic, operative and business levels. This framework reflects Oerlikon’s management model and enables the company to draw on the full complement of relevant resources, experience and knowledge.

Board members are selected and nominated in a fair and non-discriminating way toward minorities. Oerlikon strives to have a well-diversified Board, considering skills, experiences, geographic reach, tenure and gender. The Board refreshment process is described in more detail in the Corporate Governance Report in Oerlikon’s Annual Report and published on www.oerlikon.com.

GOVERNANCE: SUSTAINABILITY EMBEDDED ACROSS OERLIKON

GRI 2-9,10,11,12



The EC decides on the execution of the sustainability roadmap based on the proposal provided by the SMT. It prioritizes the allocation of resources and defines the investment strategy to enable the execution of the road map. It also ensures that appropriate internal systems and controls are in place to identify and manage economic, social, governance and environmental risks, and that business is conducted in a responsible manner.

The CSO works with the other members of the EC to provide leadership and direction on the sustainability strategy. He establishes, monitors and manages the sustainability strategy and its implementation across the Oerlikon Group based on the road map, annual objectives and an action program approved by the Board.

The CSO chairs and leads the SMT in managing and coordinating all sustainability actions and processes within Oerlikon, including the following:

- Working closely with the divisions and Group functions in executing the sustainability strategy, program and action plans.

- Developing the road map for the rollout of sustainability initiatives and submitting proposals to the EC for final approval, within the strategic guidance defined by the Board.
- Developing and increasing stakeholder awareness (both internal and external) of the need and benefits of sustainable behavior and initiating changes and improvements.
- Identifying and assessing, together with line management, the significant social, ethical, governance and environmental risks that might have an impact on Oerlikon's long-term business or impair Oerlikon's objective to remain recognized as a responsible leader in its industry.
- Managing and coordinating stakeholder dialogues with regard to social, ethical and environmental matters.

APPROVAL OF REPORT

In line with Art. 964a et seqq., the Sustainability Report 2024 has been approved by the BoD and will be subjected to a binding vote by shareholders at Oerlikon's Annual General Meeting of Shareholders.

SUSTAINABILITY GOVERNANCE FRAMEWORK

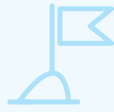
GRI 2-9,10,11,12,14,18



Sustainability & HSE Policy

Key Messages

Our Ambitions



- Affirm our **responsibility** as a caretaker of the global ecosystem and a champion of sustainability.
- **Support the UN's Sustainable Development Goals (SDGs)** – particularly in areas where we can make the greatest impact.
- **Minimize** the environmental impact of our operations and products along the value chain.
- Become a company in which **equal treatment, fairness as well as diversity, equity and inclusion (DEI) are** understood and practiced by all employees.
- Ensure **Zero Harm to People**. We believe that all injuries, occupational illnesses and diseases can be avoided.
- Hold ourselves to the **highest standards** of governance.

Our Commitments



- **Ecologically design** and develop **safe** products, services and solutions.
- Provide **legally compliant** and **industry-standard safe** products.
- Embrace the **circular economy (e.g. repair, reuse, recycle)** approach, responsible procurement and manufacturing.
- Achieve **operational excellence** in **emissions reduction**.
- Implement **industry-leading ethical** and social policies, programs and actions.
- Consistently exercise **strong corporate governance**.
- Promote **ecological** and **health-conscious** behavior.
- Provide a **safe** and **healthy** working environment.

Our Actions



Overall

- Instill a relentless focus on environmental, social and governance (ESG) topics.
- Listen to, partner and work with stakeholders to improve processes and uphold ESG standards.
- Implement actions, initiatives and measures to achieve our sustainability targets.
- Assess and manage sustainability and HSE risks.



Environment

- Minimize the environmental impact of our services and products over their entire life cycle.
- Leverage opportunities in our businesses and products to reduce emissions (including CO₂), consumption and waste.
- Execute plans in our operations to meet/ exceed our environmental targets.



Social

- Play a role in speaking out on social justice.
- Develop and run DEI programs and events to raise awareness.
- Systematically apply and improve health and safety processes and tools.
- Continually improve health and safety performance to meet or exceed legal and Oerlikon's HSE requirements.
- Provide relevant training to employees.



Governance

- Regularly perform governance and compliance reviews.
- Ensure fair, ethical and socially responsible behavior along the supply chain.
- Assess new and existing governance/regulatory requirements and risks.

**Every employee has a role to play in contributing to the actions listed above.
Managers at all levels to visibly lead the way.
Sustainability and HSE are mandated by the BoD and EC.**



Ethics & Integrity

COMPLIANCE WITH LAWS AND REGULATIONS, POLICY COMMITMENTS AND PROCESSES

GRI 2-23,24,27

Oerlikon's Group-wide procedures ensure compliance with legal and regulatory statutes, as well as internal standards, including the company's Code of Conduct (CoC). This oversight encompasses training, communication and consulting activities designed to provide the Group's divisions and individuals with the information and resources necessary to fulfill their responsibilities and understand their roles in ensuring ethical compliance and behavior.

The chain of ethics and compliance accountability is as follows:

- Group Compliance reports twice a year to the Audit & Finance Committee (AFC), a committee of the Board of Directors (BoD).
- Group Audit reports all compliance investigations to the AFC.
- All compliance-related matters are communicated to the BoD via the Chair of the AFC or the Chief Legal Officer/General Counsel, who attends all BoD meetings as the BoD secretary.
- The Head of Audit presents all investigations and cases to the AFC. These cases are reported to the BoD by the Chair of the AFC biannually and as required.
- The Compliance Review Board, which is chaired by the Head of Compliance and has the Head of Audit as a member, meets biannually to review all reported cases.
- From January 1, 2024, to December 31, 2024, there were 27 cases.

Oerlikon's robust compliance and integrity platform has evolved continually since its launch in 2009. Our CoC was updated in 2020 and slightly adjusted in 2021 following management changes. The CoC stipulates electronic training as a mandatory annual activity for all internal stakeholders.

Complementing the digital training, the Face2Face (F2F) programs provide the CoC training for operational employees without digital access.

Further developments in promoting ethical behavior include enhancing our business partner integrity screening process and communicating our stance against bribery & corruption. Acknowledgment of Oerlikon's Supplier Code of Conduct for third parties is embedded in the company's contractual terms and conditions.

The compliance program's framework has three pillars:

1. Prevention: policies, directives, training, the CoC, risk assessment, maturity assessment, compliance councils, internal controls and metrics, examples and Q&A in all employee meetings.
2. Early detection: 24/7 reporting hotline, continuous compliance reviews, controls and internal audits, allegation management process.
3. Response: disciplinary action on compliance breaches, process adaptation, resolution plans, remediation of internal control systems, fine-tuning of policies.

Moreover, Oerlikon has broadened the scope of its governance framework by integrating ethics within its leadership development initiatives, focusing on the following:

1. Providing substantive support to high-performing teams.
2. Reinforcing awareness of our commitment to sustainable practices.
3. Measuring successes against the triple bottom line parameters.

Above all, the CoC prioritizes Oerlikon's most significant asset: its extraordinary pool of talented people. By promoting company-wide understanding and appreciation of the core values encapsulated in the CoC, our leadership team ensures that our employees comply with and take pride in these standards. This creates our strongest foundation for pursuing the continued evolution of a comprehensive sustainable ethics and compliance governance framework.

In early 2022, we published our new Sustainability & HSE Policy. All policies at Oerlikon are approved by the BoD and EC. Responsibility for oversight and implementation rests with a cross-functional

team that includes members from sustainability management, human resources, compliance, legal and procurement.

Oerlikon's policies are publicly available at www.oerlikon.com/en/sustainability/our-policies/. Upon issuance of a new, revised or updated policy, we disseminate the information globally via our internal communication platforms, such as the intranet and Viva Engage. The information is also shared with all leaders and senior management to relay to their divisions and teams.

POLICIES (P), DIRECTIVES (D) AND GUIDELINES (G) AVAILABLE ONLINE

Name	Latest Issue	Latest Review
• D Anti-Corruption and Anti-Bribery	2012	2019
• P Avoiding Conflict of Interest	2019	2019
• P Policy Against the Use of Child Labor	2021	2021
• Code of Conduct	2021	2021
• P Policy on Global Antitrust Compliance	2015	2019
• P Non-Discrimination and Anti-Harassment Policy	2021	2021
• P Against Human Trafficking and Slavery	2021	2021
• Safety Data Sheets (SDS)	Ongoing	Ongoing
• Supplier Code of Conduct	2024	2024
• P Sustainability and Health, Safety & Environment (HSE) Policy	2022	2022
• D Unannounced Inspections	2015	2019
• P Reporting (Whistleblowing) Policy	2021	2021



Can be found at:

www.oerlikon.com/en/sustainability/our-policies

Oerlikon is committed to training all employees with digital access annually. Since 2017, electronic compliance training in the CoC and data privacy has been mandatory for Oerlikon employees. Since then, participation rates for the CoC e-training have improved steadily, with 60% of registered users completing the training in 2017. This figure rose to 90% in 2019, 91% in 2020 and then 97% in 2021, excluding employees in Germany due to agreements with worker councils and employees from companies acquired in 2021. In 2022, 95.3% of registered employees worldwide, including staff in Germany and acquired entities, com-

pleted the e-training. In 2023, 95.6% of registered employees worldwide, including acquired entities, completed the e-training. In 2024, 94.3% of registered employees worldwide completed the e-training.

In 2020, Oerlikon committed to provide regular CoC training to colleagues without digital access at work. Due to the pandemic, the rollout of the training was delayed. In November 2022, the Surface Solutions Division started rolling out the training and organized train-the-trainer sessions for several entities to prepare them to conduct training on their own, which continued into 2023 and 2024. The goal is to provide the tools and materials for the sites to conduct the training according to the availability of the production employees and their shift schedules. At the Polymer Processing Solutions Division, synergies are being established with the Surface Solutions Division to offer F2F training to employees.

Complementing the train-the-trainer approach and to ensure that the CoC reaches all employees, the divisions decided to launch an information campaign annually. Each year, a specific CoC theme is identified. The theme is featured in a leaflet, which is distributed to all employees at each site either personally or by post. This campaign raises the awareness and retention of the specific CoC theme among employees. Our longer-term objective is to have more than 95% of all employees trained both digitally and F2F by 2030.

Furthermore, as part of the quarterly certification, legal entity heads must certify that they have met all compliance-related obligations. In addition, all contracts with suppliers, vendors and third parties refer to the Group CoC and Supplier Code of Conduct. All parties who are interested in working with Oerlikon must adhere to Oerlikon's CoC and/or their own code of conduct.

MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS

GRI 2-26

Oerlikon updated its Reporting (Whistleblowing) Policy in 2021. The policy is made available to all employees as well as external stakeholders on the company's website.

Since 2015, we have maintained an active, 24/7/365 reporting hotline, run by an independent

third-party provider, to enable concerned colleagues to alert us so that we may act swiftly to prevent or address instances of potential wrongdoing. The hotline provides a mechanism for reporting complaints related to wrongdoing or CoC violations. This includes human rights or human sustainability issues, such as harassment, diversity and inclusion.

Cases pertaining to the misdirection of funds or to physical bullying have led to dismissals with cause of those individuals. Thus, Oerlikon's CoC ensures that every member of staff has a resource to help guide responsible decision-making in line with our standards of ethics, our culture and values and our commitment to compliance in all our business practices.

To ensure company-wide awareness, we have engaged in ongoing informational campaigns. Initially, we notified employees about the hotline via posters and through training sessions, townhalls and internal communications channels. Operational employees in some jurisdictions had messages sent with their pay notifications. We have also prepared materials that walk employees through the reporting process. Beginning in 2021, a compliance e-training module included an explanation of how to make a whistleblowing complaint and F2F training showing operative employees how to report via the hotline.

In addition, we encourage employees to feel at liberty to raise issues with direct line managers, other colleagues, other managers, human resources, legal and/or compliance. There is a dedicated compliance officer in each of the two divisions of the Group.

Compliance Enforcement

Oerlikon's Compliance Office and Internal Audit oversee the company's internal investigation protocol. In 2024, Oerlikon's Reporting Line received twenty (20) complaints, which were thoroughly reviewed and subsequently closed. None of those complaints led to full investigations and were handled internally by the relevant departments. Apart from the twenty (20) above mentioned complaints, Internal Audit separately reviewed seven (7) internal compliance related matters. Of the seven (7) internal reviews, (three) 3 of them were substantiated.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS

GRI 2-25

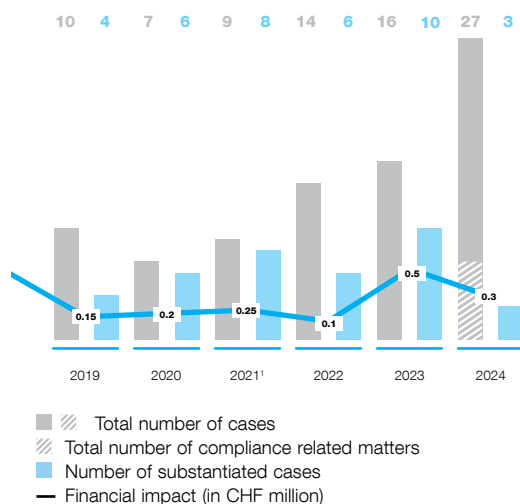
Both our CoC and our Reporting (Whistleblowing) Policy prohibit retaliation for complaints and allegations brought in good faith. We take all complaints seriously, including those submitted anonymously, and review the evidence provided with the complaint, as well as additional evidence gathered during any investigation.

Group Compliance and Group Audit serve as first-line investigators of complaints received via the whistleblowing hotline, and the Compliance Review Board, which is part of the Group's governance oversight structure, reviews all complaints. When more specific expertise is required, we hire the necessary related experts. Compliance complaints are communicated to the highest governance body, the AFC and the BoD.

Any matter that represents a potential material effect on the company's profit and loss, for example, due to a potential fine or sanction, or brand reputation, or any incident that has caused harm to any employee that could lead to litigation, is regarded as high risk.

Oerlikon's Reporting (Whistleblowing) Policy is available online: www.oerlikon.com/en/sustainability/our-policies/. Employees can also access it in a total of 11 languages on the company's intranet.

Compliance Cases



¹ The damages incurred were all related to cyberfraud.

CHILD LABOR

GRI 408-1

Oerlikon does not participate in and does not accept child labor. We support all international conventions

pertaining to the nonuse of child labor, and our Supplier Code of Conduct condemns child labor.

The Oerlikon Policy Against the Use of Child Labor is endorsed by Oerlikon's BoD and was issued in 2021. It includes Oerlikon's directives on reporting suspected incidences of child labor, investigating those allegations promptly and taking all appropriate actions against the practice of child labor, including, as warranted, sanctions against or termination of relationships with partners or suppliers engaged in those practices.

Oerlikon strongly urges employees or representatives to report any incident or complaint of child labor to their immediate supervisor, their department head, any senior manager of their business unit, their local human resources representative, their local procurement representative or over the Oerlikon 24/7 reporting hotline (SpeakUp).

Any reported allegations of child labor will be promptly investigated. If use of child labor is found in Oerlikon's supply chains, we will take all appropriate measures to mitigate any risks by developing a responsible solution, which may include working in partnership with the supplier and/or a termination.

Adherence to nonuse of child labor is clearly defined in our policy and Code of Conduct as well as our Supplier Code of Conduct but is managed locally and by suppliers themselves. We do not currently have any system in place that gathers data regarding which operations and suppliers are considered to have significant risks of such incidents.

Under the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO), companies are obliged to inspect whether there is reasonable suspicion of child labor, and, if there is reasonable suspicion of child labor, to adhere to due diligence and reporting obligations. Companies are exempted from this obligation if they can prove that the services and products provided to them come from countries with a low risk of child labor.

Oerlikon monitors, reviews and documents its supply chain regularly regarding child labor suspicions. Due to the result of these regular monitoring activities and checks, Oerlikon concludes that it is exempted from the due diligence and reporting obligations under Art. 964j et seqq. of the Swiss Code of Obligations.

FORCED OR COMPULSORY LABOR & HUMAN RIGHTS ASSESSMENT

GRI 409-1

Oerlikon is committed to a safe work environment that is free from and provides protection against human trafficking and slavery, including forced labor and unlawful child labor. Oerlikon does not tolerate or condone human trafficking or slavery in any part of its global organization. Oerlikon prohibits human trafficking and slavery.

Employees, contractors, subcontractors, vendors, suppliers, partners and others through whom Oerlikon conducts business must not engage, be involved in or participate in any practice that constitutes human trafficking or slavery. The Policy Against Human Trafficking and Slavery is endorsed by Oerlikon's BoD and was issued in 2021. It includes Oerlikon's directives on reporting suspected incidences of human trafficking or slavery, investigating those allegations promptly and taking all appropriate actions against the practices of human trafficking or slavery, including, as warranted, sanctions against or termination of relationships with partners or suppliers engaged in those practices.

As with the process defined for child labor, Oerlikon strongly urges employees to report any incident or complaint of human trafficking to their immediate supervisor, their department head, any senior manager of the business unit, their local human resources representative, their local procurement representative or over the 24/7 reporting hotline (SpeakUp).

Any reported allegations of human trafficking will be promptly investigated, and Oerlikon will take appropriate disciplinary action for the violation of this policy, which may include the discharge of employees, subcontractors and agents.

Our operations and suppliers must adhere to the nonuse of forced or compulsory labor, which is clearly stipulated in our policy and CoC and Supplier Code of Conduct. Management, tracking and actions taken are handled locally and by suppliers themselves. We do not currently have any system in place that gathers data regarding which operations and suppliers are considered to have significant risks of such incidents.

Although Oerlikon does not undertake specific human rights reviews or impact assessments, we do carry out frequent employee and labor relations/

rights risk assessments of our own operations in various countries across the world, as well as thorough compliance audits of our policies, including human resources, with applicable legislation and corporate policies and instructions.

We will continue to monitor our business and the industries and markets we serve to identify additional areas of compliance focus through 2030 and beyond.

ANTI-CORRUPTION AND ANTI-BRIBERY

GRI 205-1, 2

Oerlikon and its employees are neither to engage nor assist in any behavior that might be construed as corruption or bribery. We support all international conventions and local laws that govern anti-corruption and anti-bribery.

The Oerlikon Anti-Corruption and Anti-Bribery Directive that was approved by the EC has been in effect since 2012. The directive, which defines our ethical business conduct principles in alignment with the CoC, provides specific guidance with regard to active, passive, direct and indirect corruption, direct or indirect benefits, corruption and bribery, political contributions, charitable contributions, facilitation payments and giving or receiving of gifts, hospitality and entertainment.

The directive is available on Oerlikon's intranet and website (www.oerlikon.com/en/sustainability/our-policies/). This topic is covered as part of the annual CoC e-training and F2F training for employees, and all employees are expected to take decisions that align with the principles it details.

As valid for all breaches, Oerlikon strongly urges employees to report any incident or complaint of corruption or bribery to their immediate supervisor, their department head, any senior manager of the business unit, their local human resources representative, their local procurement representative or over the 24/7 reporting hotline (SpeakUp).

NON-DISCRIMINATION

GRI 406-1

Oerlikon is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal

employment opportunities and prohibits discriminatory practices, including harassment. Therefore, Oerlikon expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment.

In 2021, Oerlikon issued a Non-Discrimination and Anti-Harassment Policy, endorsed by Oerlikon's BoD, to underscore the importance of this topic within the company.

The policy clearly defines that no one should be discriminated against on the grounds of race, color, national origin, religion, sex, age, physical disability, mental disability, medical condition, ancestry, alienage or citizenship status, marital status, creed, genetic information, height or weight, sexual orientation, gender, gender identity, gender expression, transgender status or any other characteristic protected by law. Oerlikon prohibits and will not tolerate any such discrimination or harassment.

The policy specifies that everyone at Oerlikon has the duty to promote non-discrimination and not to tolerate any form of harassment. This cross-sectional task depends on the active support of all employees of Oerlikon. The global human resources team is responsible for implementing this policy.

Essential elements of this policy are:

- Recruiting, hiring, training and promoting in all job classifications without regard to race, color, national origin, religion, sex, age, disability, alienage or citizenship status, marital status, creed, genetic information, height or weight, sexual orientation, gender identity or gender expression or any other characteristic protected by law.
- Each employee has the opportunity to contribute their best according to their abilities and qualifications.
- The redress of discrimination and harassment, the removal of barriers and prejudices, also with regard to career opportunities
- Ensuring that all personnel actions and practices are administered in a fair, equal and consistent manner.
- Zero tolerance for harassment of any kind or behavior, and prosecution according to the legal regulations.

For the details regarding the mechanisms for seeking advice or raising concerns and the processes to remediate negative impacts, please refer to pages 80 and 81.

CUSTOMER PRIVACY

In 2024, Oerlikon did not receive any complaints from customers or prospects in relation to our use of their personal data or direct marketing activities.

There was no data security breach requiring a notification to data protection authorities.

At Oerlikon, we have data protection policies and guidelines that define data protection requirements as well as roles and responsibilities. We also have privacy notices dedicated to customers and prospects. Our Group policies and privacy notices are aligned with applicable data protection laws, in particular the European (GDPR). We have also developed local data protection guidelines in certain countries to comply with specific local requirements - such as China.

Every year, a mandatory Group-wide Data Protection training is completed by the employees. This training is customized based on employees' roles and responsibilities in the Group data processing activities.

TAX GOVERNANCE AND STRATEGY

Oerlikon ensures that its tax strategy is carried out in accordance with our CoC, as well as all applicable legal and regulatory requirements, including those concerning the timely completion and submission of tax returns and the disclosure of tax positions. We aim to maintain a transparent relationship with tax authorities in the countries in which we operate, readily participating in tax audits when necessary to promptly provide requested information.

The company does not engage in aggressive tax planning and does not employ convoluted structures or offshore entities to reduce its tax obligations. Furthermore, we uphold arm's-length principles and adhere to local laws and regulations governing the pricing of intercompany transactions.

The Chief Financial Officer of Oerlikon, who is also a member of the EC, bears responsibility for all financial matters related to operational management and is assisted by a team of qualified tax professionals in support of the Group companies.

TRADE CONTROL

GRI 2-6

The international trade of goods is essentially free but may be subject to restrictions or prohibitions that states impose to safeguard their national security interests and the peaceful coexistence of people or to prevent the proliferation of weapons.

These regulations may relate to purchases, sales, services, technology transfers or payments. Additional restrictions may target behavioral changes of individuals, entities or states, and the scope of such sanctions may encompass (but need not be limited to) asset freezes or travel bans or may even take the form of total embargoes.

Embargoes usually arise in response to United Nations Security Council resolutions, decisions of the Organization for Security and Co-operation in Europe (OSCE) or common positions of the EU Council or the US government. Several countries, including Russia/Belarus, Iran, Cuba, North Korea, Syria and Sudan, are currently subject to sanctions regulations.

Management Approach

Oerlikon's top management attaches importance to the topic and directs all employees to practice unconditional compliance. Additionally, we support nonproliferation efforts and may refrain from a transaction in cases of continued concerns regarding the end-use application. This self-restraint prevails over commercial interest.

To ensure sustainable trade compliance, Oerlikon has implemented a robust Internal Control Program that is regularly monitored, continuously developed and safeguarded by state-of-the-art IT measures.

Given the complexity and fluid nature of this subject, we provide employees with training, as well as updates on international trade control provisions and the company's policies and procedures, which are designed to ensure that they have:

- Information related to traded items, such as their nature, origin, components, value and technical characteristics.
- Confirmed the end use and the end user as well as third parties or agents involved.

Violation by any Oerlikon employee may lead to disciplinary action, including termination of employment.

06

About this Report

REPORTING PRACTICE

GRI 2-3

The Oerlikon Sustainability Report 2024 is our fifth report on our material economic, environmental and social impacts and how we manage them.

The report provides an in-depth look at the way we address sustainability and implement our sustainability strategy. It also gives an overview of relevant policies, guidelines and targets established for continued improvement in sustainability performance metrics. Furthermore, the report contains a review of notable achievements in 2024. Oerlikon intends to continue reporting on sustainability on an annual basis.

Reporting Scope

The report generally covers all of the Oerlikon Group companies worldwide, including wholly owned subsidiaries and majority-owned joint ventures, as well as acquired entities. In total, Oerlikon operates 199 sites in 38 countries in 2024.

The employee data covers employees from all legal entities of the Group worldwide (see Annual Report pages 144 and 145). For the environmental and health & safety metrics, data from operational sites were included in the calculation. Operational sites refer to relevant sites, that is all production sites and offices with more than 50 employees, plus a few small offices (<50 employees) that have provided data in the year under review. The list of sites/legal entities whose data are consolidated for environment and health & safety can be found on pages 100 to 103 of this report.

Reporting Standards

To define the contents of this report, we have referred to the GRI Standards 2021, the SASB Standards and to the results of the materiality assessment and the material topics identified in this process (see pages 15 and 16 of this report). We have also taken into account stakeholder feedback on reporting, best practices in sustainability reporting and the applicable United Nations SDGs.

GRI Standards are the most widely adopted global standards for sustainability reporting. These standards help businesses and governments understand and communicate their impact on a variety of sustainability issues in a common format. We have mapped our material topics and included relevant disclosure topics in the GRI content index, which can be found from pages 87 to 90 of this report. Omission from the material issues addressed in our report does not mean an issue is not managed.

We have opted in this report to also disclose according to SASB's industry category: Industrial Machinery & Goods. The SASB mapping can be found on page 91. SASB Standards guide the disclosure of financially material sustainability information by companies to their investors. Effective as of August 1, 2022, the Value Reporting Foundation – home to the SASB Standards – consolidated into the IFRS Foundation, which established the first International Sustainability Standards Board (ISSB). SASB Standards now fall under the oversight of the ISSB.

Sections marked with the United Nations SDGs symbols provide more information on how we implement strategies and practices that contribute toward supporting these SDGs.

Changes in 2024

There were no acquisitions or divestments in 2024.

Data Collection Process

We measure energy consumption at all our operational sites, and the data is consolidated in our SAP Business Warehouse. For all environmental metrics, including energy, renewables, emissions, waste and water, the total operational sites consolidated in 2024 are 167, including one small site.

Our energy consumption includes all types of energy, including purchased electricity, solar power generated by us, purchased heat and cooling, natural gas, fuel oil, propane, diesel, gasoline, hydrogen and kerosene.

To calculate emissions, each of our sites is required to provide the actual CO₂ factors for electricity from their respective utility. For fossil fuel, we use average CO₂ factors from various governmental sources. Sites are required to cross-check locally with respect to the details provided by their energy suppliers.

The sources for emissions include electricity and steam generated offsite and all fuels used in boilers and other combustion equipment, including purchased electricity, purchased heat and cooling, natural gas, fuel oil, propane, diesel, gasoline and kerosene.

The share of disposed waste is calculated as the total weight of waste directed to disposal as a percentage of the total weight of waste generated by Oerlikon.

For our HR data, we use Tagetik and the SAP SuccessFactors software to manage our people processes, perform analytics and improve visibility and efficiency. Since SuccessFactors is cloud based, the software enables us to have real-time updated data about our employees and their development and helps us to manage the entire employee life cycle.

Our Total Accident Frequency Rate (TAFR) data for health and safety is collected through a monthly reporting process using SAP Business Warehouse and Cognos TM1. In 2024, health and safety data include data from 180 operational sites, including the small site that have provided environmental

data and 13 additional small offices that have delivered health and safety data.

Our compliance data is collected by the Head of Compliance and Internal Audit teams. The majority of Oerlikon's compliance cases are reported through its 24/7 whistleblowing hotline. Complainants can report anonymously, although we encourage transparency in order to better handle cases and to reach a substantiated outcome.

All reported cases are investigated to the full extent of the facts that have been provided. Cases lacking in pertinent facts or substantiated evidence are closed. At the end of each calendar year, Group Compliance reviews the cases with the Compliance Review Board (of which the Head of Group Compliance is the Chair), and the cases are also reviewed by the Audit and Finance Committee of the Board of Directors. In the review and assessment of cases, Group Compliance and Internal Audit make recommendations for modifications to internal controls and policies and/or procedures that may have led to the wrongdoing or any undesirable behavior.

Reporting Period

This report covers the period between January 1, 2024, and December 31, 2024.

Independent Assurance Summary

The limited assurance engagement of PricewaterhouseCoopers AG covered Selected Indicators in our Sustainability Report for the year ended December 31, 2024. Testing procedures included – among others – three virtual site visits for relevant operational sites. The independent practitioner's limited assurance report can be found on pages 104 to 106.

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GRI Content Index



2025

Oerlikon has reported in accordance with the GRI Standards for the period January 1, 2024 to December 31, 2024.

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

GRI Standards/Disclosures		Location/Direct answer	Page
GRI 1: Foundation 2021			
GRI 2: General Disclosures 2021			
1. The Organization and its Reporting Practices			
2-1	Organizational details	Annual Report 2024	28
2-2	Entities included in the organization's sustainability reporting	Sustainability Report 2024	100
2-3	Reporting period, frequency and contact point	Sustainability Report 2024	85
2-4	Restatements of information	Sustainability Report 2024	98
2-5	External assurance	Sustainability Report 2024	104, 105, 106
2. Activities and Workers			
2-6	Activities, value chain and other business relationships	Sustainability Report 2024	17, 69, 84
2-7	Employees	Sustainability Report 2024	52, 91, 96
2-8	Workers who are not employees	Sustainability Report 2024	52, 96
3. Governance			
2-9	Governance structure and composition	Sustainability Report 2024	11, 75, 76, 77
2-10	Nomination and selection of the highest governance body	Sustainability Report 2024	11, 75, 76, 77
2-11	Chair of the highest governance body	Sustainability Report 2024	11, 75, 76, 77
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report 2024	11, 75, 76, 77
2-13	Delegation of responsibility for managing impacts	Sustainability Report 2024	75
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report 2024	77
2-15	Conflicts of interest	Annual Report 2024	35–37
2-16	Communication of critical concerns	Sustainability Report 2024	75
2-17	Collective knowledge of the highest governance body	Sustainability Report 2024	75
2-18	Evaluation of the performance of the highest governance body	Sustainability Report 2024	75, 77

GRI Standards/ Disclosures	Disclosure	Location/Direct answer	Page
2-19	Remuneration policies	Annual Report 2024	53–72
2-20	Process to determine remuneration	Annual Report 2024	53–72
2-21	Annual total compensation ratio	Confidentiality constraints on employee compensation. Oerlikon complies with the Swiss governments' ordinance against excessive remuneration, whereby the Board and Executive Committee's remuneration are voted and approved by shareholders at the AGM. Oerlikon also reports on the total remuneration of its Board and Executive Committee, including the remuneration of the highest paid individual for each governing body.	
4. Strategy, Policies and Practices			
2-22	Statement on sustainable development strategy	Sustainability Report 2024	5, 10
2-23	Policy commitments	Sustainability Report 2024	79
2-24	Embedding policy commitments	Sustainability Report 2024	79
2-25	Processes to remediate negative impacts	Sustainability Report 2024	19, 81
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report 2024	19, 80
2-27	Compliance with laws and regulations	Sustainability Report 2024	79
2-28	Membership associations	Sustainability Report 2024	22
5. Stakeholder Engagement			
2-29	Approach to stakeholder engagement	Sustainability Report 2024	18, 19
2-30	Collective bargaining agreements	Sustainability Report 2024	57
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Sustainability Report 2024	15
3-2	List of material topics	Sustainability Report 2024	15
Climate & Energy GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	40, 41
GRI 302: Energy 2016			
302-1	Energy consumption within the organisation (gigawatthours-GWh)	Sustainability Report 2024	41, 91, 94
302-3	Energy intensity (MWh/million CHF sales)	Sustainability Report 2024	41, 91, 94
302-4	Reduction of energy consumption	Sustainability Report 2024	41
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Sustainability Report 2024	44
303-2	Management of water discharge-related impacts	Sustainability Report 2024	44
303-3	Water withdrawal (thousand m ³)	Sustainability Report 2024	44, 94
GRI: 305 Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Sustainability Report 2024	46, 94
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report 2024	46, 94
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report 2024	46, 94
305-4	GHG emissions intensity (tons CO ₂ equivalents/million CHF)	Sustainability Report 2024	46, 95

GRI Standards/ Disclosures	Disclosure	Location/Direct answer	Page
Circular Economy			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	42
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Sustainability Report 2024	43
306-2	Significant waste-related impacts	Sustainability Report 2024	43
306-3	Waste generated (metric tons)	Sustainability Report 2024	43, 95
306-4	Waste diverted from disposal (metric tons)	Sustainability Report 2024	43, 95
306-5	Waste directed to disposal (metric tons)	Sustainability Report 2024	43, 95
Innovation			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	12, 35
Health & Safety			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	60
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Sustainability Report 2024	60
403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report 2024	60
403-3	Occupational health services	Sustainability Report 2024	63
403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Report 2024	64
403-5	Worker training on occupational health and safety	Sustainability Report 2024	63
403-6	Promotion of worker health	Sustainability Report 2024	64
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report 2024	65
403-8	Workers covered by an occupational health and safety management system	Sustainability Report 2024	64
403-9	Work-related injuries	Sustainability Report 2024	62, 91, 98
Employment Practices & Education			
GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	52
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Annual Report 2024	13–15
201-3	Defined benefit plan obligations and other retirement plans	Annual Report 2024	110–113
GRI 202: Market presence 2016			
202-2	Proportion of senior management hired from the local community	Sustainability Report 2024	54
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	Sustainability Report 2024	58
203-2	Significant indirect economic impacts	Sustainability Report 2024	35
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Sustainability Report 2024	52, 98
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report 2024	52

GRI Standards/ Disclosures	Disclosure	Location/Direct answer	Page
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	Sustainability Report 2024	57
Employment Practices & Education (con't)			
GRI 404: Training and Education 2016			
404-1	Training and education per employee (average hours)	Sustainability Report 2024	56
404-2	Programmes for upgrading employee skills and transition assistance programmes	Sustainability Report 2024	56
404-3	Employees receiving regular performance and career development reviews	Sustainability Report 2024	56
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Sustainability Report 2024	53, 99
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability Report 2024	57
Community engagement GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	58
Responsible sourcing & human rights GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	69
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	During the reporting period there were no negative social impacts.	69
414-2	Negative social impacts in the supply chain and actions taken	During the reporting period there were no negative social impacts.	69
Governance GRI 3: Material Topics 2021			
3-3	Management of material topics	Sustainability Report 2024	75
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Sustainability Report 2024	83
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report 2024	83
GRI 406: Non-discrimination 2016			
406-1	Non-discrimination	Sustainability Report 2024	83
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Sustainability Report 2024	81
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability Report 2024	82

SASB Mapping

Resource Transformation – Industrial Machinery & Goods

SASB SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Topic	SASB Accounting Metric	Code	Reference	Further Information and omissions
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	RT-IG-130a.1	GRI 302-1,3 Pages 41–42, 94	
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	RT-IG-320a.1	GRI 403-9 Pages 62–63	We consider TAFR to be comparable to TRIR since the actual number of cases where illnesses did not result from accidents are low.
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1	N.A.	Not applicable.
	Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2	N.A.	Not applicable.
	Sales-weighted fuel efficiency for stationary generators	RT-IG-410a.3	N.A.	Not applicable.
	Sales-weighted emissions of: (1) nitrogen oxides (NO _x) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	RT-IG-410a.4	N.A.	Not applicable.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RT-IG-440a.1	Pages 60, 67, 72–73	
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	RT-IG-440b.1	N.A.	We do not yet track revenue along this breakdown. We are evaluating the possibility of providing such information in the future.

SASB ACTIVITY METRICS

Activity Metric	Code	Reference	Further Information and omissions
Number of units produced by product category	RT-IG-000.A	Annual Report	Please refer to Oerlikon Annual Report 2024 (Pages 2, 90–91)
Number of employees	RT-IG-000.B	GRI 2-7 Pages 52, 96–99	12 064 (FTEs) 13 162 (Headcount, incl. external temporary and non-productive on payroll employees)

Index Table

Non-Financial Matters

Oerlikon's 2024 Sustainability Report provides transparency on non-financial matters as defined under Art. 964a et seqq. of the Swiss Code of Obligations. A summary of the key topics can be found on pages 24 to 26 in this report. The index table below serves to facilitate the ease of finding the relevant content and data.

	Location	Page
Business Model	Annual Report 2024	2
	Sustainability Report 2024	10, 24
Environmental matters, in particular the CO₂ goals	Sustainability Report 2024	34–50
Social Issues and Employee-Related Issues	Sustainability Report 2024	51–64
Respect for Human Rights and Combating Corruption	Annual Report 2024: Compliance & Ethics	75–76
	Sustainability Report 2024: Ethics & Integrity	79–84
	Sustainability Report 2024: Responsible Sourcing & Human Rights	69–73
Policies and Due Diligence	Sustainability Report 2024	24, 79–84
Conflict Minerals	Sustainability Report 2024	25–26, 72–73
Child Labor	Sustainability Report 2024	25, 81–82
Main Risks and Measures	Annual Report 2024	73–76
	Sustainability Report 2024	25, 27–33
Operational and Sustainability Risk	Annual Report 2024	73–76
	Sustainability Report 2024	25, 27–33
Risk Related to Business Relations	Annual Report 2024	73–76
	Sustainability Report 2024	25, 69–73
Main Performance Indicators	Sustainability Report 2024	3, 21, 26
Reporting Scope	Sustainability Report 2024	26, 85–86
Assurance	Sustainability Report 2024	26, 104–106
Governance and Approval	Sustainability Report 2024	26, 75–77

TCFD Mapping

Oerlikon's Sustainability Report 2024 includes disclosures based on the recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD). This is in compliance with the Swiss Federal Council's Ordinance on Climate Disclosures, which obligates large companies to report on climate matters according to TCFD. The index table allows a quick reference on where the TCFD data and content can be found within the Sustainability Report or in Oerlikon's Annual Report.

		Location	Page
Governance	Describe the board's oversight of climate-related risks and opportunities.	Sustainability Report 2024	27, 75–77
	Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability Report 2024	27, 75–77
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Sustainability Report 2024	28–32
		Annual Report 2024	73–76
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Sustainability Report 2024	28–32
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Sustainability Report 2024	28–32
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	Sustainability Report 2024	27–33
	Describe the organization's processes for managing climate-related risks.	Sustainability Report 2024	27–33
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Sustainability Report 2024	27–33
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability Report 2024	3, 21, 32–33
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Sustainability Report 2024	46–50
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Sustainability Report 2024	3, 21, 32–33, 50
		Annual Report 2024	73–76

Data Tables¹

ENVIRONMENTAL TOPICS

GRI Disclosures	Disclosure Description	2024	2023	2022	2021 ²
302-1	Energy consumption within the organization (gigawatt-hours – GWh)				
	Electric power	328.3	326.9	325.9	309.7
	– Renewable electrical power consumed	123.0	113.5	97.2	68.8
	– % renewable electrical power consumed ³	37.5%	34.7%	29.8%	22.2%
	Natural gas	57.9	60.2	60.8	64.8
	Heat and cooling bought	15.3	14.6	14.2	14.8
	Gasoline and diesel	21.5	23.1	23.0	21.2
	Other energies	7.1	5.1	4.8	8.6
	Total energy consumption	430.0	429.9	428.8	419.0
302-3	Energy intensity (MWh/million CHF sales)	181.3	159.6	147.4	158.2
303-3	Water withdrawal (thousand m³)				
	Third party water withdrawal	772.7	748.0	756.4	707.0
	Surface water	12.9	7.0	7.4	7.8
	Ground water	14.4	14.3	2.8	2.6
	Sea water	0	0	0	0
	Produced water	0	0	0	0
	Total water withdrawal	800.0	769.3	766.6	717.4
305-1	Emissions				
	Scope 1: Direct (Scope 1) GHG emissions (thousand metric tons)				
	CO ₂ from the use of energy	18.3	18.9	19.0	19.5
	Other (CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ in CO ₂ equivalent)	0	0	0	0
	Total Scope 1 emissions	18.3	18.9	19.0	19.5
305-2	Scope 2: Energy indirect (Scope 2) GHG emissions (thousand metric tons in CO₂ equivalent)				
	Electricity consumption	123.3	123.5	125.4	138.9
	District heat and cooling consumption	2.5	2.6	2.7	2.6
	Total Scope 2 emissions	125.8	126.1	128.1	141.5
305-3	Scope 3: Other indirect (Scope 3) GHG emissions (thousand metric tons)⁴				
	Purchased goods and services	433.7	671.1	–	–
	Capital goods	27.5	65.8	–	–
	Fuel and energy-related activities	30.4	34.8	–	–
	Upstream transportation and distribution	42.4	68.6	–	–
	Waste generated in operations	5.9	9.9	–	–
	Business travel	4.1	5.8	–	–
	Employee commuting	15.4	14.5	–	–
	Downstream transport and distribution	7.2	7.6	–	–
	Processing of sold products	91.3	97.5	–	–
	Use of sold products	21 422.3	40 119.4	–	–

¹ Due to rounding, some totals may not correspond with the sum of the separate figures. All data includes acquisitions, except for 2021.

² Excluding 2021 acquisitions.

³ SASB RT-IG-130a.1

⁴ Figures were consolidated for the first time in 2023. Thus, comparable figures in prior years are not available.

ENVIRONMENTAL TOPICS

GRI Disclosures	Disclosure Description	2024	2023	2022	2021 ¹
	End-of-life treatment of sold products	125.6	102.2	–	–
	Downstream leased assets	11.3	11.3	–	–
	Investments	0.3	0.3	–	–
	Total Scope 3 emissions	22217.4	41208.7	–	–
305-4	GHG emissions intensity (tons CO₂ equivalents/million CHF)				
	Total Scope 1 and Scope 2 GHG Emissions (in kilotons)	144.1	145.0	147.2	161.0
	Tons CO₂ equivalents per million CHF sales, scope 1+2	60.8	53.8	50.6	60.8
	Total Scope 3 GHG emissions (in kilotons) ²	22217.4	41208.7	–	–
	Tons CO₂ equivalents per million CHF sales, Scope 3²	9366.5	15302.2	–	–
306-3	Waste generated (metric tons)				
	Hazardous waste	11827	11486	10241	10240
	Non-hazardous waste	10223	11488	13200	11881
	Total waste generated	22051	22974	23441	22121
306-4	Waste diverted from disposal (metric tons)				
	Hazardous Waste				
	Preparation for reuse	13	13	1	11
	Recycling	8255	8411	6887	6495
	Other recovery operations	0	0	0	0
	Total hazardous waste	8267	8424	6888	6506
	Non-hazardous Waste				
	Preparation for reuse	15	98	98	58
	Recycling	6692	7986	9833	8605
	Other recovery operations	176	160	155	14
	Total non-hazardous waste	6883	8244	10085	8677
	Total waste diverted from disposal	15151	16668	16973	15182
306-5	Waste directed to disposal (metric tons)				
	Hazardous Waste				
	Incineration (with energy recovered)	1441	1161	1733	2120
	Incineration (without energy recovered)	1404	957	904	890
	Landfill	715	944	716	725
	Other disposal operations	0	0	0	0
	Total hazardous waste	3560	3062	3353	3734
	Non-hazardous Waste				
	Incineration (with energy recovered)	1508	1433	1382	969
	Incineration (without energy recovered)	229	281	436	787
	Landfill	1604	1529	1296	1448
	Other disposal operations	0	0	0	0
	Total non-hazardous waste	3340	3244	3115	3204
	Total waste directed to disposal	6900	6306	6468	6938

¹ Excluding 2021 acquisitions.² Figures were consolidated for the first time in 2023. Thus, comparable figures in prior years are not available.

SOCIAL TOPICS

GRI Disclosures	Disclosure Description	2024	2023	2022	2021
2-7	Employees¹				
2-8	Workers who are not employees				
	Total number of employees	13 162	13 638	13 268	12 820
	Total workforce by gender (Oerlikon employees)				
	Female	3 337	3 479	2 909	2 765
	Male	9 816	10 152	10 333	10 005
	Other	9	7	26	50
	Total workforce by region (Oerlikon employees)				
	Asia	3 736	3 765	3 851	3 807
	Europe	7 643	8 102	7 567	7 290
	Americas	1 783	1 771	1 850	1 723
	Total number of employees by employment contract				
	Permanent employees	11 879	12 301	11 722	11 433
	by gender				
	Female	2 982	3 093	2 524	2 431
	Male	8 891	9 203	9 186	9 002
	Other	6	5	12	0
	by region				
	Asia	3 380	3 380	3 498	3 470
	Europe	6 750	7 180	6 413	6 285
	Americas	1 749	1 741	1 811	1 678
	Temporary employees	238	343	436	315
	by gender				
	Female	85	120	109	100
	Male	153	223	322	215
	Other	0	0	5	0
	by region				
	Asia	13	12	11	16
	Europe	212	315	413	293
	Americas	13	16	12	6
	External temporary employees²	573	579	-	-
	by gender				
	Female	99	126	-	-
	Male	471	451	-	-
	Other	3	2	-	-
	by region				
	Asia	334	358	-	-
	Europe	231	213	-	-
	Americas	8	8	-	-
	Non-productive on payroll employees²	323	227	-	-
	by gender				
	Female	145	109	-	-
	Male	178	118	-	-
	Other	0	0	-	-
	by region				
	Asia	7	7	-	-
	Europe	311	217	-	-
	Americas	5	3	-	-

¹ SASB RT-IG-000.B² Figures were consolidated for the first time in 2023. Thus, comparable figures in prior years are not available.

SOCIAL TOPICS

GRI Disclosures	Disclosure Description	2024	2023	2022	2021
	Apprenticeship	149	188	194	210
	by gender				
	Female	26	31	35	38
	Male	123	157	159	172
	Other	0	0	0	0
	by region				
	Asia	2	8	2	10
	Europe	139	177	189	197
	Americas	8	3	3	3
	Full-time employees	12465	12864	12677	12255
	by gender				
	Female	2930	3030	2585	2457
	Male	9527	9828	10073	9798
	Other	8	6	19	0
	by region				
	Asia	3721	3657	3835	3758
	Europe	6993	7454	7009	6792
	Americas	1751	1753	1833	1705
	Part-time employees	697	774	591	565
	by gender				
	Female	407	449	324	314
	Male	289	324	260	211
	Other	1	1	7	40
	by region				
	Asia	15	108	16	49
	Europe	650	648	558	498
	Americas	32	18	17	18
	Total women in workforce by region (Oerlikon Employees)				
	Asia	761	772	778	765
	Europe	2176	2313	1718	1618
	Americas	400	394	413	388
	Total	3337	3479	2909	2771
	Total women in workforce by region (Oerlikon Employees %)				
	Asia	20.4%	20.5%	20.2%	20.1%
	Europe	28.5%	28.5%	22.7%	22.2%
	Americas	22.4%	22.2%	22.3%	22.5%
	Total	25.4%	25.5%	21.9%	21.6%

SOCIAL TOPICS

GRI Disclosures	Disclosure Description	2024	2023	2022	2021
401-1	New employee hires and employee turnover				
	Turnover of all employees				
	Asia	9.8%	9.6%	11.3%	10.4%
	Europe	10.4%	11.1%	10.5%	9.0%
	Americas	16.3%	18.0%	23.7%	20.9%
	Total	11.1%	11.1%	12.8%	11.2%
	Turnover of all female employees				
	Asia	6.5%	9.2%	8.6%	9.7%
	Europe	9.2%	7.6%	15.0%	11.0%
	Americas	15.8%	22.0%	20.9%	18.6%
	Total	9.4%	9.9%	14.2%	11.8%
	Hires of all employees				
	Asia	458	373 ²	540	517
	Europe	1045	985 ²	1354	1093
	Americas	348	305 ²	512	499
	Total	1851	1663²	2406	2109
	Hires of female employees				
	Asia	77	93	100	88
	Europe	314	310 ²	419	225
	Americas	75	79	115	72
	Total	466	482²	626	385
403-9 (2018)	Occupational health and safety: injuries, lost days, diseases and fatalities 2018				
	Employees				
	Number and rate of fatalities as a result of work-related injury	0	0	0	0 ¹
	Number of high-consequence work-related injuries (excluding fatalities)	2	3	2	2 ¹
	Rate of high-consequence work-related injuries (excluding fatalities)	0.02	0.03	0.02	0.02 ¹
	Number of recordable work-related injuries	57	85	84	69 ¹
	Rate of recordable work-related injuries	0.50	0.72	0.75	0.72 ¹
	Number of lost time accidents	43	67	63	52 ¹
	Number of medical treatment accidents	14	18	21	17 ¹
	Number of hours worked	22 639 532	23 739 295	22 432 401	19 296 694 ¹
	Non-Employees				
	Number and rate of fatalities as a result of work-related injury	0	0	0	0 ¹
	Number of high-consequence work-related injuries (excluding fatalities)	0	0	0	0 ¹
	Number of recordable work-related injuries	2	0	1	1 ¹

¹ Excluding 2021 acquisitions² GRI 2-4: Hiring figures in 2023 restated due to administrative error.

SOCIAL TOPICS

GRI Disclosures	Disclosure Description	2024	2023	2022	2021
405-1	Diversity of governance bodies and employees				
	Composition of governance bodies				
	Board of Directors				
	Women in Board (percentage)	25%	25%	14%	29%
	Age group diversity (percentage)				
	<30 years old	0	0	0	0
	30–50 years old	25%	25%	29%	29%
	>50 years old	75%	75%	71%	71%
	Number of nationalities	5	9	8	6
	Executive Committee				
	Women in Executive Committee (percentage)	20%	20%	20%	17%
	Age group diversity total (percentage)				
	<30 years old	0	0	0	0
	30–50 years old	20%	40%	40%	33%
	>50 years old	80%	60%	60%	67%
	Number of nationalities	2	2	2	3
	Employees that are global leaders				
	Women that are global leaders	7	7	9	7
	Men that are global leaders	67	61	60	57
	Age group diversity (percentage)				
	<30 years old	0%	0%	0%	0%
	30–50 years old	37.8%	38%	43%	53%
	>50 years old	62.2%	62%	57%	47%
	Number of nationalities	17	15	11	11
	High Potential Talent Programs				
	Percentage Women	26% ²	22% ¹	19% ¹	21%
	Percentage Men	74% ²	78% ¹	81% ¹	79%
	Age group diversity (percentage)				
	<30 years old	0%	7%	9%	0%
	30–50 years old	98.39%	89%	89%	100%
	>50 years old	1.61%	4%	2%	0%
	Number of nationalities	16	19	18	8
	Total workforce (Oerlikon workforce)				
	Women in total workforce	3337	3479	2909	2765
	Men in total workforce	9816	10152	10333	10005
	Other	9	7	26	50
	Age group diversity (percentage)				
	<30 years old	13.9%	14.7%	16.1%	16.3%
	30–50 years old	57.7%	57.5%	60.2%	56.9%
	>50 years old	28.4%	27.9%	23.6%	26.8%
	Nationalities				
	Number of nationalities among female	71	72	62	58
	Number of nationalities among male	99	98	96	90
	Other	3	2	3	2
	Total number of nationalities	105	105	102	94

¹ Includes the Group Horizons, Polymer Processing Solutions Division's OMF+ and the regional RISE high potential talent programs.² Includes the Group Horizons and Polymer Processing Solutions Division's OMF+.

Entities and Sites Consolidated in Sustainability Reporting

GRI 2-2

For Oerlikon's sustainability reporting, Oerlikon consolidates data from all its operational sites. Total operational sites include relevant sites – all production/manufacturing sites and large offices (>50 employees) – and a few small offices (<50 employees) when data is provided. Generally, the company excludes data from minority-owned sites, and data from acquisitions are consolidated and included after the closing of the acquisition.

In 2024, the company consolidated environmental data from 167 sites, including 1 small office. For health and safety, data from 180 sites was consolidated, that is including the data provided by the 1 small office with environmental data and 13 additional small offices.

SITES CONSOLIDATED IN 2024 FOR ENVIRONMENTAL DATA

Country	City	Site
Argentina	Buenos Aires	Oerlikon Balzers Revestimentos Metálicos Ltda
Argentina	Córdoba	Oerlikon Balzers Revestimentos Metálicos Ltda
Austria	Kapfenberg	Oerlikon Balzers Coating Austria GmbH
Austria	Ohlsdorf	Oerlikon Balzers Coating Austria GmbH
Austria	Stainz	Oerlikon Balzers Coating Austria GmbH
Belgium	Sint-Truiden	Oerlikon Balzers Coating Benelux N.V./S.A.
Brazil	Jundiaí, SP	Oerlikon Balzers Revestimentos Metálicos Ltda
Brazil	São José dos Pinhais-PR	Oerlikon Balzers Revestimentos Metálicos Ltda
Brazil	São Paulo	Oerlikon Friction Systems do Brasil Ltda.
Canada	Fort Saskatchewan, AB	Oerlikon Metco (Canada) Inc.
Canada	Guelph	Oerlikon Balzers Coating USA Inc.
China	Beijing	Oerlikon Textile Technology
China	Changchun	Oerlikon Balzers Coating (Suzhou) Co., Ltd. Changchun Branch
China	Changchun	Oerlikon Metco Surface Technology (Shanghai) Co., Ltd. Changchun Branch
China	Chengdu	Oerlikon Balzers Coating (Suzhou) Co.,Ltd. Chengdu Branch
China	Changzhou	Oerlikon Balzers Coating (Suzhou) So. Ltd. Changzhou Branch
China	Chengdu	Oerlikon Friction Systems (China) c/o Oerlikon Metco Surface Technology (Shanghai) Co., Ltd. Chengdu Branch
China	Chongqing	Oerlikon Balzers Coating (Suzhou) Co.,Ltd. Chongqing Branch
China	Dalian	Oerlikon Balzers Coating (Suzhou) Co., Ltd. Dalian Branch
China	Dongguan	Oerlikon Balzers Coating (Suzhou) Co., Ltd. Dalian Branch
China	Hanzhong	Oerlikon Balzers Coating (Suzhou) Co., Ltd. Hanzhong Branch
China	Hanzhong	Oerlikon HRSflow China Co.Ltd
China	Jinan	Oerlikon Balzers Coating (Suzhou) Co.,Ltd Jinan Branch
China	Shanghai	Oerlikon Metco Surface Technology (Shanghai) Co. Ltd.
China	Shiyan	Oerlikon Balzers Coating (Suzhou) Co., Ltd Shiyan Branch
China	Suzhou	Oerlikon Balzers Coating (Suzhou) Co., Ltd.
China	Suzhou	Oerlikon (China) Technology Co., Ltd.
China	Tianjin	Oerlikon Balzers Coating (Suzhou) Co., Ltd. Tianjin Branch
China	WenLing	Oerlikon Balzers Coating (Suzhou) Co., Ltd. WenLing Branch
China	Wuxi	Oerlikon Textile Machinery (Wuxi) Co. Ltd.
China	Xi'an	Oerlikon Balzers Coating (Suzhou) Co., Ltd. Xi'an Branch
China	Yangzhou	Oerlikon Barmag Huitong (Yangzhou) Engineering Co. Ltd.,
China	Zigong	Zigong Golden China Hardfacing Materials Co., Ltd.
Czechia	Jihlava	Oerlikon Balzers Coating Austria GmbH – organizační složka
Finland	Espoo	Oerlikon Balzers Coating Finland OY

SITES CONSOLIDATED IN 2024 FOR ENVIRONMENTAL DATA

Country	City	Site
Finland	Pirkkala	Oerlikon Balzers Coating Finland Oy
France	Charentilly	Oerlikon Balzers Coating France SAS
France	Cluses	Oerlikon Balzers France SAS
France	Duttlenheim	Oerlikon Balzers Coating France SAS
France	Ferrières-en-Brie	Oerlikon Balzers Coating France SAS
France	Limoges	Oerlikon Balzers Coating France S.A.S.
France	Maïche	Coeurdor SAS
France	Mamirolle	Coeurdor SAS
France	Mamirolle	Coeurdor SAS
France	Saint-Quentin-Fallavier-Cedex	Oerlikon Balzers Coating France SAS
Germany	Barchfeld	Oerlikon Metco WOKA GmbH
Germany	Barleben	Oerlikon AM Europe GmbH
Germany	Bergisch Gladbach	Oerlikon Balzers Coating Germany GmbH
Germany	Bielefeld	Oerlikon Balzers Coating Germany GmbH
Germany	Bingen	Oerlikon Balzers Coating Germany GmbH
Germany	Bremen	Oerlikon Friction Systems (Germany) GmbH
Germany	Dietenheim	Oerlikon Balzers Coating Germany GmbH
Germany	Erkelenz	Oerlikon Balzers Coating Germany GmbH
Germany	Garching	Oerlikon AM Europe GmbH
Germany	Langenfeld	Oerlikon Metco Coating Services GmbH
Germany	Neumünster	Oerlikon Neumag Zweigniederlassung der Oerlikon Textile GmbH & Co. KG
Germany	Raunheim	Oerlikon Metco Europe GmbH
Germany	Remscheid	Oerlikon Barmag Zweigniederlassung der Oerlikon Textile GmbH & Co. KG
Germany	Salzgitter	Oerlikon Metco Coatings GmbH
Germany	Salzgitter	Oerlikon Metaplas GmbH
Germany	Schopfheim	Oerlikon Balzers Coating Germany GmbH
Germany	Stetten a.k.M.	Oerlikon Balzers Coating Germany GmbH
Germany	Stollberg	Oerlikon Balzers Coating Germany GmbH
Germany	Thyrnau	Oerlikon Balzers Coating Germany GmbH
Germany	Wörnitz	Oerlikon Balzers Coating Germany GmbH
Hungary	Debrecen	Oerlikon Eldim (HU) Kft.
Hungary	Székesfehérvár	Oerlikon Balzers Coating Austria GmbH – Magyarországi Fióktelepe
India	Ahmedabad, Gujarat	Oerlikon Balzers Coating India Pvt. Ltd.
India	Aurangabad	Oerlikon Balzers Coating India Pvt. Ltd.
India	Bangalore	Oerlikon Balzers Coating India Pvt. Ltd.
India	Bangalore	Oerlikon Metco Coating Services India c/o Oerlikon Balzers Coating India Pvt. Ltd.
India	Changdigarh	Oerlikon Balzers Coating India Pvt. Ltd.
India	Chennai	Oerlikon Balzers Coating India Pvt. Ltd.
India	Chennai	Oerlikon Friction Systems (India) Private
India	Jamshedpur	Oerlikon Balzers Coating India Pvt. Ltd.
India	Manesar	Oerlikon Balzers Coating India Pvt. Ltd.
India	Mumbai	Oerlikon Textile India Pvt. Ltd.
India	Pune	Oerlikon Balzers Coating India Pvt. Ltd.
India	Pune	Oerlikon HRSflow India
India	Vadodara Gujarat	Oerlikon Textile India Pvt Ltd.
Italy	Badia al Pino	AMOM S.p.A.
Italy	Bentivoglio	Oerlikon Balzers Coating Italy S.p.A.
Italy	Brugherio	Oerlikon Balzers Coating Italy S.p.A.
Italy	Caivano (NA)	Oerlikon Friction Systems (Italia) S.r.l.
Italy	Firenze	FCM S.P.A
Italy	Limena	Oerlikon Balzers Coating Italy S.p.A.

SITES CONSOLIDATED IN 2024 FOR ENVIRONMENTAL DATA

Country	City	Site
Italy	Missaglia	Oerlikon Balzers Coating Italy S.p.A.
Italy	Padua	Riri SA
Italy	Palazzolo sull'Oglio	S.P.M. Pressofusione S.r.l.
Italy	Pergine Valsugana	SPM Pressofusione
Italy	Poggio a Caiano	Riri SA/Cobrax Metal Hub
Italy	San Polo di Piave, TV	Oerlikon HRSflow Italy
Italy	Scarperia e San Pietro a Sieve	DMC S.r.l.
Italy	Tirano	Riri SA
Japan	Hiratsuka	Oerlikon Japan Co., Ltd. Balzers, HQ/Hiratsuka Factory
Japan	Kobe	Oerlikon Japan Co., Ltd. Balzers, Kobe Factory
Japan	Nagoya	Oerlikon Nihon Balzers and Oerlikon Friction Systems (Japan)
Japan	Nagoya-shi	Oerlikon Japan Co., Ltd. Metco
Japan	Osaka	Oerlikon Japan Co., Ltd. Metco
Japan	Shizuoka	Oerlikon Japan Co., Ltd. Balzers, Shizuoka Factory
Japan	Tochigi	Oerlikon Japan Co., Ltd. Balzers, Tochigi Factory
Japan	Tokyo	Oerlikon Japan Co., Ltd. Metco
Korea	Busan	Oerlikon Balzers Coating Korea Co. Ltd.
Korea	Gunsan-si	Oerlikon Balzers Coating Korea Co. Ltd.
Korea	Gyeongsan	Oerlikon Balzers Coating Korea Co., Ltd.
Korea	Pyeongtaek	Oerlikon Balzers Coating Korea Co. Ltd.
Liechtenstein	Balzers	Oerlikon Balzers Coating AG
Luxembourg	Niedercorn	Oerlikon Balzers Coating Luxembourg s.à.r.l.
Malaysia	Johor Bahru	Oerlikon Balzers Coating Malaysia Sdn.Bhd.
Mexico	Querétaro, Qro.	Oerlikon Balzers Coating México, SA de CV
Mexico	Querétaro, Qro.	Oerlikon Balzers Coating México, SA de CV (PPD)
Mexico	Saltillo	Oerlikon Balzers Coating México, SA de CV
Netherlands	Lomm	Oerlikon Eldim (NL) B.V.
Philippines	Calamba City, Laguna	Oerlikon Balzers Coating Philippines, Inc.
Poland	Kędzierzyn-Koźle	Oerlikon Balzers Coating Poland Sp. z o.o.
Poland	Polkowice	Oerlikon Balzers Coating Poland Sp. z o.o.
Poland	Tczew	Oerlikon Balzers Coating Poland Sp. z o.o.
Poland	Warsaw	Oerlikon Business Services Europe Sp. z.o.o.
Portugal	Alcobaça	Oerlikon Balzers Coating S.A. Sucursal em Portugal
Portugal	Fundão	Cubimateria Polimentos Lda
Portugal	Fundão	Cubimateria Polimentos Lda
Romania	Maracineni (Pitești)	Oerlikon Balzers Coating Austria GmbH, Kapfenberg Austria, Sucursala Maracineni
Singapore	Singapore	Oerlikon Metco Singapore Pte Ltd.
Slovakia	Veľká Ida	Oerlikon Balzers Coating Slovakia s.r.o.
Spain	Antzuola	Oerlikon Balzers Coating Spain S.A.U.
Spain	Montcada i Reixac	Oerlikon Balzers Coating Spain S.A.U.
Sweden	Halmstad	Oerlikon Balzers Coating Sweden AB
Sweden	Köping	Oerlikon Balzers Coating Sweden AB
Sweden	Stockholm	Oerlikon Metco Europe GmbH, Filial Norden c/o Oerlikon Balzers Coating Sweden AB
Switzerland	Brügg	Oerlikon Balzers Coating S.A., Brügg
Switzerland	Mendrisio	Riri SA
Switzerland	Pfäffikon	OC Oerlikon Management AG, Pfäffikon
Switzerland	Wohlen	Oerlikon Metco AG
Taiwan	Hsinchu County	Oerlikon Balzers Coating Taiwan Co., Ltd.
Thailand	Chonburi	Oerlikon (Thailand) Co. Ltd.
Turkey	Bursa	Oerlikon Balzers Kaplama Sanayi ve Ticaret Ltd. Şti
UK	Cheshire	Oerlikon Metco Coating

SITES CONSOLIDATED IN 2024 FOR ENVIRONMENTAL DATA

Country	City	Site
UK	Milton Keynes	Oerlikon Balzers Coating UK Ltd.
UK	Stockport	Oerlikon Neomet Ltd.
USA	Agawam, MA	Oerlikon Balzers Coating USA Inc.
USA	Alma, MI	Oerlikon Balzers Coating USA, Inc.
USA	Amherst, NY	Oerlikon Balzers Coating USA, Inc.
USA	Billings, MT	Oerlikon Metco (US)
USA	Brunswick, OH	Oerlikon Balzers Coating USA Inc.
USA	Byron Center, MI	Oerlikon HRSflow USA
USA	Charlotte, NC	Oerlikon Textile Inc.
USA	Dalton	Oerlikon Textile Inc.
USA	Dayton, OH	Oerlikon Friction Systems (US) Inc.
USA	Elgin, IL	Oerlikon Balzers Coating USA Inc.
USA	Geneva, IL	Oerlikon Balzers United States
USA	Houston, TX	Oerlikon Metco (US) Inc.
USA	Huntersville	Oerlikon AM US Inc.
USA	Lake Orion, MI	Oerlikon Balzers United States
USA	Mequon, WI	Oerlikon Friction Systems (US) Inc.
USA	Murfreesboro, TN	Oerlikon Balzers Coating USA Inc.
USA	Oklahoma City, OK	Oerlikon Balzers Coating USA Inc.
USA	Pell City, AL	Oerlikon Balzers Coating USA, Inc.
USA	Plymouth, MI	Oerlikon Metco (US) Inc.
USA	Rancho Cucamonga, CA	Oerlikon Balzers Coating USA Inc.
USA	Richmond, IN	Oerlikon Balzers Coating USA Inc.
USA	Rock Hill, SC	Oerlikon Balzers Coating USA Inc.
USA	Rock Hill, SC	Oerlikon Balzers Coating USA Inc.
USA	Tawas City, MI	Oerlikon Balzers Coating USA, Inc.
USA	Troy, MI	Oerlikon Metco (US) Inc.
USA	Westbury, NY	Oerlikon Metco (US) Inc.
USA	Wixom, MI	Oerlikon Balzers Coating USA Inc.
Vietnam	Hanoi (Bac Ninh)	Oerlikon Balzers Coating Vietnam Co., Ltd.

ADDITIONAL SITES CONSOLIDATED IN 2024 FOR HEALTH & SAFETY DATA

Country	City	Site
Brazil	Sao Paulo	Oerlikon HRSflow Brasil
Canada	Windsor, Ontario	Oerlikon HRSflow Canada
France	Laval Cedex	Oerlikon HRSflow France
Japan	Aichi-ken	Oerlikon HRSflow Japan
Korea	Gwangmyeong-si	Oerlikon HRSflow Korea
Mexico	Santiago de Queretaro	Oerlikon HRSflow Mexico
Netherlands	Tiel	Coating Netherlands
Portugal	Albergaria-a-Velha	Oerlikon HRSflow Portugal (HRSflow SCC Assistencia Técnica Unipessoal Ida)
South Africa	Johannesburg	Oerlikon HRSflow South Africa
Spain	Begues	Oerlikon HRSflow Spain
Thailand	Bangkok	Oerlikon HRSflow Thailand
Turkey	Bursa	Barmag Teknik Servis Hitzmetler ve Ticaret A.S.
USA	Schaumburg	Coating USA Inc.

Independent practitioner's limited assurance report

on 2024 Selected Indicators in the Sustainability Report 2024 to the Board of Directors of OC Oerlikon Corporation AG, Pfäffikon SZ

We have been engaged by the Board of Directors to perform assurance procedures to provide limited assurance on the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) of OC Oerlikon Corporation AG, Pfäffikon and its consolidated subsidiaries ("OC Oerlikon") for the period ended 31 December 2024.

Scope and subject matter

Our limited assurance engagement relates to the following indicators published in the Sustainability Report 2024 ("2024 Selected Indicators"):

- Environment and Greenhouse Gas Emissions:
 - Energy consumption within the organization (page 41);
 - Energy intensity (page 94);
 - Total Scope 1 and Scope 2 emissions (page 47);
 - Scope 3 emissions (page 48);
 - 1 Purchased goods and services;
 - 4 Upstream transportation and distribution;
 - 10 Processing of sold products;
 - 11 Use of sold products;
 - 12 End-of-life treatment of sold products;
 - Waste generated (page 43);
 - Waste diverted from disposal (page 43);
 - Waste directed to disposal (page 43);
 - Implementing energy management system at all relevant sites (page 21); and
 - Increasing the share of electrical energy from renewable sources (page 21).
- Social:
 - Increasing % of women in management and leadership roles (page 21); and
 - Increasing % of women in high potential talent programs (page 21).
- Occupational health and safety:
 - Injuries, lost days, diseases and fatalities (page 98).

We do not comment on, nor conclude on any prospective information nor did we perform any assurance procedures on the information other than those stated above for the reporting period 2024.

The 2024 Selected Indicators (including the GHG statement) were prepared by the Board of Directors of OC Oerlikon based on the criteria described in the section "About this Report" in the Sustainability Report 2024 (on pages 85 and 86). The section "About this Report" was developed based, among others, on the GRI Sustainability Reporting Standards

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(GRI Standards 2021) published by the Global Reporting Initiative (GRI) and the Greenhouse Gas (GHG) Protocol Corporate Standard (Revised edition) and summarised in Appendix A – Oerlikon Sustainability Reporting Criteria (on pages 107-111) (together the "suitable Criteria").

Inherent limitations

The accuracy and completeness of the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the 2024 Selected Indicators in the Sustainability Report 2024 and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in with the suitable Criteria.

Board of Directors' responsibility

The Board of Directors of OC Oerlikon is responsible for the preparation and presentation of the Sustainability Report 2024 (including the GHG statement) in accordance with suitable Criteria. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation and presentation of the Sustainability Report 2024 that are free from material misstatement, whether due to fraud or error. Furthermore, the Board of Directors is responsible for the selection and application of the suitable Criteria and the appropriate record keeping.

Independence and quality management

We are independent of the OC Oerlikon Corporation AG, Pfäffikon in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to perform an assurance limited engagement and to express a conclusion on the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement). We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) were not prepared, in all material aspects, in accordance with the suitable Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures, among others:

- Review the application of the OC Oerlikon reporting guidelines, the "about this report" section in the Sustainability Report 2024 together with the suitable Criteria;
- Inquiries and walkthroughs with relevant stakeholders for the 2024 Selected Indicators (including the GHG statement);

- Inspection of process and control descriptions and other internal guidelines and relevant documents;
- Analytical procedures;
- Reperformance of relevant calculations (including the GHG statement);
- Additional assurance procedures as deemed necessary (e.g. sample-based source tracing); and
- Local level procedures (four site visits to inspect local processes and reconcile source evidence).

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) of OC Oerlikon Corporation AG for the period from 1 January 2024 to 31 December 2024 are not, in all material respects, in accordance with the suitable Criteria.

Intended users and purpose of the report

This report is prepared for, and only for, the Board of Directors of OC Oerlikon Corporation AG, and solely for the purpose of reporting to them on the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement), without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of OC Oerlikon Corporation AG for our work or this report.

PricewaterhouseCoopers AG

Ralf Hofstetter

Cyryll Ivo Manetsch

Zürich, 17 February 2025

‘The maintenance and integrity of OC Oerlikon Corporation AG’s website and its content are the responsibility of the Board of Directors; the work carried out by the assurance provider does not involve consideration of the maintenance and integrity of the OC Oerlikon Corporation AG’s website, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported 2024 Selected Indicators in the Sustainability Report 2024 (including the GHG statement) or the Criteria since they were initially presented on the website.

Appendix A – Oerlikon Sustainability Reporting Criteria

This section summarizes the basis of preparation for the performance indicators within this report, presenting clarification and definition of the terminology used within the reported performance indicators.

A set of general definitions is first presented, as well as specific guidance in relation to each of the reported performance indicators, by section of the report.

General definitions

The **Reporting Scope** covers all Oerlikon Group companies worldwide, including wholly owned subsidiaries and majority-owned joint ventures. In the Oerlikon Annual Report 2024, the list of legal entities that are consolidated as part of the Group can be found on page 144 to 145. The scope of reporting is further defined below.

Group Sites: Oerlikon operates from 199 (in 2024) sites globally. These comprise production sites, large offices (>50 employees) and small offices. The number of sites may vary year-over-year due to newly opened sites, closed sites, divested sites or acquired sites.

“Relevant Sites”: Total relevant sites include all production sites and large offices and exclude small offices (<50 employees). In 2024, there were a total of 166 relevant sites.

The “Operational Sites”: Total operational sites include all relevant sites and a few small offices that provided data, as well as acquired sites. The total number of operational sites consolidated in 2024 for environmental KPIs was 167, including data from one small office. No data from minority-owned sites was included in 2024. The total number of operational sites consolidated in 2024 for health & safety KPI was 180, including data from the small office that provided environmental data and 13 additional small offices. The list of operational sites can be found in this report from pages 100 to 103.

The “Non-Relevant Sites”: Oerlikon operates a few smaller sites that are not considered material and thus, outside of the operational boundary for some KPIs. In 2024, there were 33 such small sites, of which 19 did not provide any data and 14 provided data that was consolidated in the environment and/or health & safety KPIs (see above).

In 2024, Oerlikon did not acquire or divest any companies. A total of nine sites were closed in 2023 and no longer considered in 2024. A new site in India was opened at the end of 2024 and is not yet considered in the environmental and H&S as data does not yet exist.

Treatment of Material Adjustments

In circumstances that result in a significant change to a methodology and have a material impact to a KPI result, either through refining the approach, receiving new information, a change in business structure, acquisition of transformational business, or from other events, Oerlikon would initiate a recalculation of previous year’s numbers or will calculate a new baseline.

GRI no.	KPI	Assessment Criteria
302-1 (2016)	Energy consumption within the organization (gigawatt-hours – GWh) Increasing the share of electrical energy from renewable sources	<p>Energy usage is defined as the total energy consumption from the Operational Sites during the calendar year. Energy categories include electric power, natural gas/other hydro-carbon gases, heat and cooling bought, gasoline, diesel and liquefied petroleum gas. It is consistent with GRI 302-1. For 2024, it was 430.0 GWh.</p> <p>The number of Operational Sites for this KPI was 167, including one small office that provided data.</p> <p>Within the category of electric power, the amount from renewable electrical power was also disclosed (123.0 GWh or 37.5% of electricity consumed for 2024). A target was set in 2021 that 100% of purchased electricity shall be from renewable sources by 2030.</p> <p>In 2019 and 2020, electricity generated from combined heat and power plant (CHP plant) was recorded as electricity. For 2021 onwards, this was reclassified as energy from natural gas. This resulted in a higher figure for natural gas and a lower amount from electricity and heat and cooling bought in 2021, which is the calculation method used since 2021.</p>
302-3 (2016)	Energy intensity (MWh/ million CHF sales)	<p>Energy intensity is calculated by taking the energy consumption (GRI 302-1) and dividing by Group sales for 2024.</p> <p>The 2024 sales figure of CHF 2 372 million was taken from the consolidated income statement of OC Oerlikon Management AG, Pfäffikon, which was audited by PricewaterhouseCoopers AG on February 18, 2025.</p> <p>Thus, energy intensity in 2024 was 181.3 MWh per million CHF sales.</p>
305-1 (2016)	Scope 1: Direct (Scope 1) GHG emissions (thousand metric tons)	<p>Oerlikon reports Scope 1 figures relating to Operational Sites using the GHG protocols consistent with GRI 305-1.</p> <p>The number of Operational Sites for this KPI was 167, including one small office that provided data.</p> <p>Oerlikon uses no equivalent gases (CH₄, N₂O, HFCs, PFCs, SF₆, NF₃), so the 2024 figure of 18.3 thousand metric tons resulted solely from use of energy.</p>
305-2 (2016)	Scope 2: Energy indirect (Scope 2) GHG emissions (thousand metric tons of CO ₂ equivalent)	<p>Oerlikon reports Scope 2 figures for Operational Sites. The number of Operational Sites in 2024 for this KPI was 167, including one small office that provided data.</p> <p>Consistent with GRI 305-2 and the GHG protocols, Oerlikon reports the market-based figure where possible. In geographies where this is not possible, Oerlikon takes a location-based approach. Among Oerlikon's 167 Operational Sites in 2024, 84 of them were using market-based method to report on their Scope 2 emissions, while 83 sites were using the location-based method as they do not have contractual information that meets the Scope 2 quality criteria.</p> <p>Our Scope 2 encompasses indirect GHG emissions from electricity, steam, heat and cooling purchased by the Group. In 2024, our Scope 2 emissions were 125.8 kilotons of CO₂ equivalent.</p>

GRI no.	KPI	Assessment Criteria
305-3 (2016)	Other indirect (Scope 3) GHG emissions (thousand metric tons of CO ₂ equivalent)	<p>Oerlikon reports Scope 3 figures that are not covered in Scope 2 and occur along the entire value chain, including both upstream and downstream emissions.</p> <p>Thirteen out of the 15 Scope 3 categories are deemed relevant to Oerlikon. Two of the categories (categories 8 and 14) are not applicable since Oerlikon does not have any franchises or any upstream leased assets.</p> <p>For the 13 relevant categories, the emissions have been calculated according to the GHG protocol. A tailored mix of methodologies best suited for each of the 13 relevant categories were applied. For the top 5 emission-generating categories, their methodologies can be found on page 49 of this report.</p> <p>In 2024, Oerlikon's Scope 3 emissions for the 13 relevant categories were 22 217.4 kilotons of CO₂ equivalent.</p>
305-4 (2016)	GHG emissions intensity (tons CO ₂ equivalents/million CHF)	<p>The 2024 sales figure of CHF 2 372 million was taken from the consolidated income statement of OC Oerlikon Management AG, Pfäffikon, which was audited by PricewaterhouseCoopers AG on February 18, 2025.</p> <p>Total emissions from Scope 1 & 2 in 2024 were 144.1 kilotons CO₂ equivalents, corresponding to an intensity of 60.8 tons CO₂ equivalents per million CHF sales.</p> <p>Total emissions from Scope 3 in 2024 were 22 217.4 kilotons CO₂ equivalents, corresponding to an intensity of 9 366.5 tons CO₂ equivalents per million CHF sales.</p>
306-3 (2020)	Waste generated (metric tons)	<p>The number of Operational Sites for this KPI was 167, including one small office that provided data.</p> <p>Data collected in tons is consistent with GRI 306-3, and the total waste for 2024 was 22 051 metric tons.</p>
306-4 (2020)	Waste diverted from disposal (metric tons)	<p>The number of Operational Sites for this KPI was 167, including one small office that provided data.</p> <p>Data from GRI 306-3 is segmented into waste diverted from disposal (GRI 306-4) across preparation for reuse, recycling and other recovery operations. Consistent with GRI 306-4, waste diverted in 2024 was 15 151 metric tons.</p>
306-5 (2020)	Waste directed to disposal (metric tons): Share of disposed waste	<p>The number of Operational Sites for this KPI was 167, including one small office that provided data.</p> <p>Data from GRI 306-3 is segmented into waste directed to disposal (GRI 306-4) across incineration, landfill and other disposal operations. The data from GRI 306-5 (in 2024: 6 900 tons) was then divided by the data from GRI 306-3 (in 2024: 22 051 tons) to give 31%.</p>

GRI no.	KPI	Assessment Criteria
403-9 (2018)	Occupational health and safety: injuries, lost days, diseases and fatalities: Rate of recordable work-related injuries (TAFR: Total accident frequency rate)	<p>Health & Safety data included 180 operational sites, consisting of 166 relevant sites and 14 small offices that have provided the data.</p> <p>Total accident frequency rate was 0.50 in the period from January 1, 2024, to December 31, 2024.</p> <p>The formula for calculating accident frequency rate is the number of reported accidents multiplied by 200 000, divided by the number of employee hours worked.</p> <p>Recordable work-related injuries defined as lost time accidents (LTAs) and medical treatment accidents (MTAs). LTAs are work-related accidents causing the absence of one or more working days (or scheduled shifts), counting from the day after the injury took place. MTAs are work-related accident, necessitating the attention of a medically qualified person, such as a medical doctor or a nurse, but not causing an absence.</p> <p>Total number of hours are usually calculated as recorded hours for blue collar workers and workers that fill out time sheets and contractual hours for white collar hours who do not fill-out timesheets.</p>
405-1 (2016)	Percentage of women in management and leadership positions	<p>Oerlikon defines management and leadership positions to include the top, senior and middle management positions. This is reflected by including those employees classified as grade 13 and above on the last date of a calendar year.</p> <p>Employee headcount is used to define the number.</p> <p>Those employees categorized as women in Oerlikon's HR system were divided by the total amount.</p> <p>In 2024, 93 women were classified in management and leadership positions, representing 14% of the total.</p>
405-1 (2016)	Percentage of women in High Potential Talent Programs	<p>Oerlikon runs several high potential talent programs of which Horizons and OMF+ were active for years. In 2022, Oerlikon launched a third program, RISE, to promote regional talents. In 2024, the RISE program was discontinued. Talent programs can last more than one calendar year, so the total number of individuals included represents those who participated at any point during the calendar year.</p> <p>Numbers included in the program are counted on a per person basis.</p> <p>Those employees categorized as women in Oerlikon's HR system will be divided by the total amount.</p> <p>In 2024, 16 women participated in high potential talent programs, representing 26% of total participants.</p>

GRI no.	KPI	Assessment Criteria
n.a.	Sites with energy management system implemented	<p>Energy management systems (EnMS) include both ISO-50001-certified and Oerlikon-defined energy management systems.</p> <p>An EnMS allows us to address our energy impact, conserve resources and improve cost through efficient energy management. It is designed as a practical way for our sites to track, monitor and analyze their energy consumption, so as to identify and implement improvement measures.</p> <p>The Oerlikon-defined EnMS is a stringent but lighter version of the standards, closely mirroring ISO 50001. The definition of this system is documented in an internal guideline endorsed by management to regulate non-ISO sites.</p> <p>Total sites as of December 31, 2024, with EnMS according to:</p> <ul style="list-style-type: none"> • Oerlikon-defined standard = 104 • ISO 50001 = 19 <p>The total number of sites used as the denominator for this calculation is Operational Sites. The number of Operational Sites for this KPI in 2024 is 167.</p> <p>Total sites that meet these criteria are 123 (out of 167), or 74% of total Operational Sites.</p>

GLOSSARY

General

DEI	DEI stands for diversity, equity and inclusion. Diversity is the presence of differences within a given setting. Equity is the process of ensuring that processes and programs are impartial, fair and provide equal possible outcomes for every individual. Inclusion is the practice of ensuring that people feel a sense of belonging in the workplace.
3TG	The term Conflict Minerals describes 4 elements – Tin, Tantalum, Tungsten and Gold, and is commonly referred to as 3TG.
Climate Transition Plan (CTP)	The Climate Transition Plan is a roadmap that outlines a company's strategy and actions to reduce greenhouse gas emissions and transition to a low-carbon economy. This can include how the company will adapt its operations and business model, set goals to cut emissions, improve energy efficiency and more.
CSRD	The Corporate Sustainability Reporting Directive (CSRD) is an EU legislation that came into effect in 2024. It requires large companies and listed SMEs to publish detailed, standardized reports on their environmental and social impacts, sustainability risks, and strategies.
DDTrO	The "Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour" was issued by the Swiss Federal Council and is applicable to companies whose seat, head office or principal place of business is located in Switzerland.
Double Materiality Assessment (DMA)	A process that identifies and prioritizes sustainability issues by considering both the impact of sustainability factors on a company (financial materiality) and the company's impact on the environment and society (impact materiality). It helps to determine the most relevant topics for sustainability reporting and strategy and is required by the EU's CSRD.
EcoVadis	EcoVadis provides a non-financial web-based rating platform, enabling organizations to assess their own Corporate Social Responsibility (CSR) performance, as well as that of their supply chain.
EqualVoice	An initiative launched by the Swiss publishing company Ringier, with the aim to advocate gender equality and improve the visibility of women in the media.
ERGs	Employee Resource Groups (ERGs) are internal communities of workers with shared identities and interests. They are voluntary and employee-led, and support diversity, inclusion, and employee engagement.
ESG	ESG (Environmental, social and governance) criteria are of increasing interest to companies, their investors and other stakeholders.
F-gases	Fluorinated gases ('F-gases') are a family of man-made gases used in a range of industrial applications.
FRC	Fiber-reinforced composites; Materials made by combining fibers, such as carbon or glass, with a matrix material, typically a polymer, to enhance strength and stiffness. Their high strength-to-weight ratio and enhanced mechanical properties make FRCs an ideal material for use in aerospace, automotive, and construction industries.
FTE	Full time equivalent; indicates the workload of an employed person. An FTE of 1.0 is equivalent to a full-time worker.
Gender Diversity	Gender diversity is an umbrella term that is used to describe gender identities that demonstrate a diversity of expression beyond the binary framework.
GHG	A greenhouse gas (GHG or GhG) is a gas that absorbs and emits radiant energy within the thermal infrared range, causing the greenhouse effect.
Global Organic Textile Standard (GOTS)	The Global Organic Textile Standard ensures textiles are made from organic fibers and adhere to stringent environmental and social criteria throughout their production. GOTS certification covers every step of the supply chain, from the harvesting of raw materials to environmentally and socially responsible manufacturing, aiming to provide a credible assurance to the end consumer.
Global Recycled Standard (GRS)	The Global Recycled Standard defines specific rules for certifying the amount of recycled material in a product, how it's handled through the production process, and the social, environmental, and chemical use practices involved in its creation. It aims to encourage more sustainable production and consumption by ensuring that products labeled as "recycled" meet consistent criteria and support claims through credible certification.
GRI	The Global Reporting Initiative is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.
HSE	Health, Safety and Environment; A core component of Oerlikon's code of conduct, with the ambition of "Zero Harm to People," including employees, contractors, visitors and the communities in which Oerlikon operates.
IPCC	The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change.
LED	A light-emitting diode (LED) is a semiconductor light source that emits light when current flows through it
PET	Polyethylene terephthalate, the most common thermoplastic polymer resin of the polyester family and is used in fibres for clothing, containers for liquids and foods, and thermoforming for manufacturing, and in combination with glass fibre for engineering resins.
R-PET	R-PET stands for recycled polyethylene terephthalate (PET). It is a food-safe raw material made from empty PET packaging that has been collected and prepared for recycling.
REACH	The EU Regulation for Registration, Evaluation, Authorization and Restriction of chemicals (REACH, EU Regulation 1907/2006/EG) aims to manage the risks that chemicals can pose to human health and the environment throughout the EU. REACH places a duty on companies which produce or import chemicals (as defined in the legislation) into the EU and to take appropriate measures to manage any identified risks.
RoHS	The EU Restriction of Hazardous Substances (RoHS) restricts the use of hazardous substances in electrical and electronic equipment to protect the environment and public health.
SASB	Sustainability Accounting Standards Board; An independent, private-sector standards organization that develops and disseminates industry-specific sustainability accounting standards to help publicly listed companies disclose material, decision-useful information to investors.
SBTi	The Science Based Targets initiative (SBTi) provides a scientifically backed framework to align corporate emissions reduction goals with the Paris Agreement's climate targets.
Scope 1, 2 and 3	Scope 1, 2 and 3 emissions are greenhouse gas emissions that cause carbon footprints. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company's value chain.

SDG	The United Nations Sustainable Development Goals (UN SDGs, also known as the Global Goals) are 17 goals with 169 targets that all UN Member States have agreed to work towards achieving by the year 2030. They set out a vision for a world free from poverty, hunger and disease.
TAFR	Total Accident Frequency Rate
TCFD	Task Force on Climate-related Financial Disclosures; An initiative that develops guidelines for companies to report on the financial impacts of climate-related risks and opportunities. The Ordinance on Climate Disclosures issued by the Swiss Federal Council incorporates the TCFD recommendations, mandating enhanced transparency in financial reporting to better inform stakeholders about climate-related risks in the financial sector.
uDoc	uDoc is the internal Oerlikon branding for UKG (Ultimate Kronos Group) document management, the employee personal document management and document library system. It provides access to all employees, even those who work in production, to have a digital ID and have digital access to their documents.
ULearn	ULearn is the internal Oerlikon branding for Learn365, the global learning management system. It allows employees to have access to online learning anywhere, anytime and anyplace.

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DTY	Drawn Textured Yarn is a type of polyester filament yarn produced by processing partially oriented yarn (POY) through a texturing process. This process disperses, curls and entangles the filaments composing the POY yarn, which gives DTY a fluffy appearance and gives it the properties of both natural and synthetic fiber.
BALORA TECH PRO	An aluminum chromium oxide coating that provides excellent adhesion to metallic and oxide materials. It protects temperature-sensitive materials in the aerospace and power-generation industries from environmental influences and high operating temperatures, significantly extending the life of critical components by preventing premature wear.
EnMS	ISO-50001-certified or Oerlikon defined Energy Management System (EnMS).
FDY	Fully Drawn Yarn is a type of highly drawn polyester filament yarn that can be used to produce high strength fabrics and textiles. FDY is typically used to produce fabrics and textiles for high-end undergarments, high-end sportswear and home furnishings.
POY	Partially oriented yarn is produced from the melting and extrusion (melt spinning) of the polyester chip or flake.
Pulsed Plasma Diffusion (PPD)	A proprietary heat treatment technology for large metal forming tool surfaces using hydrogen, nitrogen and electricity. As it uses no hazardous chemicals, it is an environmentally friendly and less expensive alternative to chrome-plating for wear-protection treatment.
PVD	Physical vapor deposition (PVD) is a technique for creating very thin (few thousandths of a millimeter) coatings that are extremely hard. These coatings improve the performance and durability of precision components in almost any industrial and consumer good, and also the life of tools for the metal and plastics processing industries.
WINGS	Winding Integrated Godet Solution is a family of winder technology by the Oerlikon Manmade Fibers Segment.

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