

NON-FINANCIAL REPORT

NON-FINANCIAL REPORT

1. INTRODUCTION

As a family business in operation for more than 170 years, the principle of responsible and sustainable management has been the backbone of the company throughout its long history and spurred on the transformation processes that have taken place during this time.

With this non-financial report, we comply with our obligation (Section 289 b (1) HGB and Section 315 b HGB) to disclose the "non-financial information" specified in the CSR Guidelines Implementation Act. This publication was prepared on the basis of the standards of the Global Reporting Initiative (GRI) and the key figures identified as significant for SCHWEIZER.

The sustainability figures refer to SCHWEIZER's German production site, Schweizer Electronic AG, in Schramberg. SCHWEIZER's second production site, Schweizer Electronic (Jiangsu) Co., Ltd., in Jintan (China), was not yet open for normal operations in 2020 and is thus not yet included in the reporting. When building the new plant, a great deal of significance was placed on environmental issues. The most modern and reliable facilities and procedures are used and meet all the strict environmental conditions imposed by the Chinese authorities.

SUSTAINABILITY

Sustainability is a broad field that can encompass a range of aspects. We set out our commitment to sustainable action and the resulting fields of activity in our SCHWEIZER Management Manual (first edition 1996), which aims to turn the complexity surrounding the issue into something we can concretely address and to consistently integrate sustainability into our activities. This manual is updated and expanded on an ongoing basis to meet the latest requirements. The last update was carried out in February 2020.

MATERIAL ASPECTS AND STAKEHOLDERS

The management manual defines sustainable development in terms of quality, environment, energy and occupational safety in combination with other corporate goals as issues for the company's management team to address, and sets out goals, measures, schedules and specifications for its implementation. The business processes and topics described in the Manual – along with our organisational structure – result in the following relevant stakeholders and stakeholder groups for SCHWEIZER:

- Employees
- Customers
- Investors
- Suppliers
- Public authorities

The Management Manual contains a comprehensive analysis of stakeholders and fields of materiality. In addition, surveys were carried out among our stakeholder group of employees in 2020.

The following section of the non-financial statement focuses on environmental, employee and social issues, as well as measures for respecting human rights and combating corruption and bribery.

All information required for an understanding of the business processes, business results, the corporation's present situation and the effects of its activities on the aforementioned aspects is already part of the summarised status report or the corporate governance statement and is therefore not referred to again in this section of the annual report. This information can be understood via the Page GRI Index starting on.

2. MISSION STATEMENT

Our mission statement explains the reasoning behind our strategy and actions. It conveys the values and guiding themes that are the pillars of our success.

VISION

We are a global "best-in-class" technology company. Our products conserve resources to safeguard the future of our children. We are a leading manufacturer of high-quality printed circuit boards (PCBs) and recognised producer of energy-saving, environmentally friendly products and services.

MISSION

Our mission is to ensure the success of our customers – and thus also that of our company! The goals of our customers, their faith in us and our pleasure in constantly pushing the boundaries of what is possible – these are the key drivers behind our success. We are able to achieve this based on our long-term experience, state-of-the-art technology, production methods and processes, and excellent knowledge of our target markets. We focus on attractive and promising business opportunities. Our activities as a family business with a longstanding tradition are geared towards long-term, sustainable success. Our employees form the basis for this success.

VALUES

The following values are important to us and guide our behaviour: Quality, speed, creativity and openness. These values represent the foundation for our past, present and future.

AWARENESS OF QUALITY AND THE ENVIRONMENT

We are committed to reducing energy consumption, increasing energy efficiency, continuously improving our services and contributing to environmental protection. Our aim is to reduce environmental pollution, such as by recycling, and to thereby contribute to protecting our environment. Binding obligations arising from our activities are essential foundations for our actions as is compliance with relevant laws and regulations. We are therefore working openly with authorities and the public on environmental protection issues.

We stand for highest quality levels and operate with utmost care in all facets of our business. In addition, we have set ourselves a goal of zero-defects tolerance and continuously work on improving this even more. For this reason, we reduce rejects and are able to offer our customers the highest possible quality at the same time. This philosophy and approach ensure that we remain fit for the future and place us in the best possible position for any upcoming challenges.

The following guiding principles that determine our actions and are based on our values arise from our mission statement: We are customer-oriented, creative, globally coordinated, versatile, competent, cooperative, friendly, inviting, competitive and consciously responsible.

We have developed the Competency Framework for our employees. It sets out the guidelines for cooperation and management and is intended to help employees and managers orient themselves in their day-to-day work.

3. ENVIRONMENTAL ISSUES

Preventative quality assurance and environmental protection, supplemented with the careful use of energy, not only reduce product costs but also reduce pressure on the ecology. Our resolve to ensure continuous improvement as a significant building block of our approach contributes to this.

Careful planning, regular ongoing maintenance, audits and training prevent the environment from being damaged by unforeseen incidents. Therefore, large retention areas are available for hazardous liquids that prevent liquid from uncontrollably emanating from the buildings or from non-secure areas in the buildings. As a preventative measure, the population in a large radius of the vicinity was informed of unforeseeable events and measures taken to prevent such.

CERTIFICATION AUDITS UM ISO 14001 / EM ISO 50001

In the previous financial year, our environmental and energy management systems were again subject to a regular audit. Both systems passed the audits successfully. The relevant certificates therefore continue to be valid.

ENVIRONMENTAL ISSUES – CORE TOPICS AND INDICATORS

With respect to environmental issues, the following material core topics and performance indicators can be identified for Schweizer Electronic AG's line of business:

- Energy consumption
- CO₂ footprint
- Water consumption
- Waste
- Use of resources (raw materials)

At Schweizer Electronic AG, our employees are actively committed to environmental protection. This is particularly evident in energy management, the high level of readiness to sort waste, and the careful use of water. When measuring the relevant sustainability indicators, SCHWEIZER always refers to the production hour in each case in order to do justice to the increasing complexity of printed circuit boards.

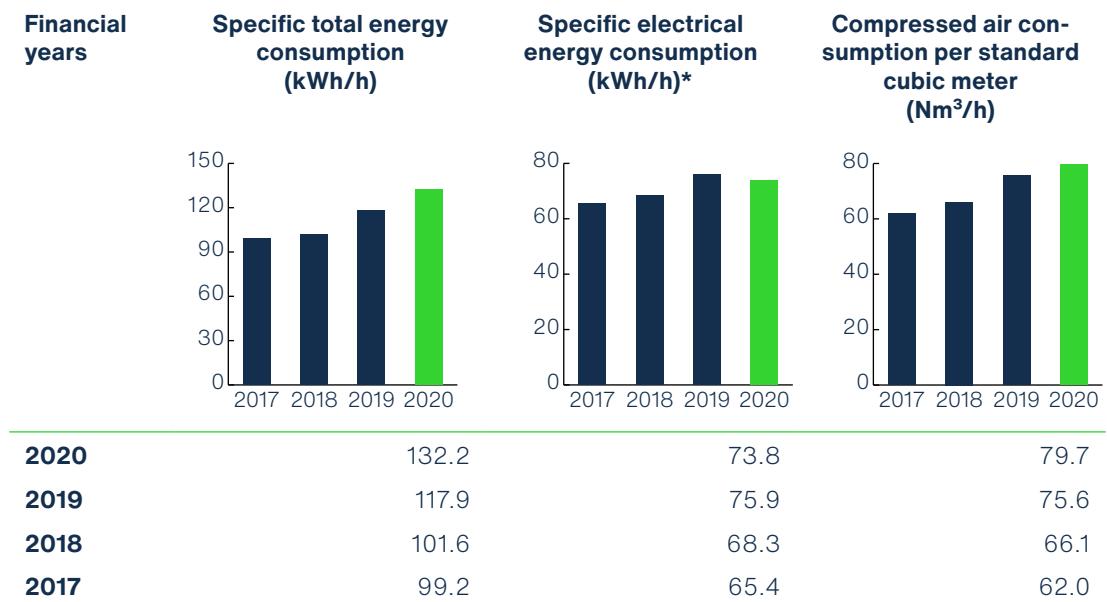
ENERGY CONSUMPTION AND MEASURES TO REDUCE ENERGY CONSUMPTION

Energy efficiency is a key market driver of our PCB business. Our PCBs help our customers in the automotive sector to increase the fuel efficiency of their vehicles and reduce CO₂ emissions. It is therefore logical that energy management plays a significant role at SCHWEIZER, given the products and services we offer. For a company as energy-intensive as SCHWEIZER, energy efficiency is of particular importance not only in terms of conserving resources, but also with regard to cost management.

The specific energy consumption is very much dependent on the company's production capacity utilisation. A relatively high energy baseload of air-conditioning and production facilities at lower process times make up an above average figure in the calculation. For this reason, the lower production capacity utilisation at the Schramberg site had a negative effect on energy efficiency in 2020.

In contrast to the significant key figures on the specific energy consumption per production hour (kWh/h) shown here, the absolute energy power consumption was primarily reduced by approximately 15 percent or 5 million kilowatt hours (kWh) in 2020 compared to the previous year mainly due to utilisation. The use of the combined heat and power plant which has been in operation since 2016, allowed us to produce 20.3 percent (2019: 18.7 percent) of our own electricity in the past financial year.

The key figures identified at Schweizer Electronic AG for reporting are the specific total energy consumption, the specific electrical energy consumption per production hour (kWh/h), and the compressed air consumption per standard cubic meter per production hour (Nm³/h). The target for 2020 was to not exceed 76 kWh/h in specific electrical energy consumption. The increase in the specific figures in the past financial year is due to fluctuations in the production capacity utilisation.



* Due to the high level of electric baseload in printed circuit board production, an adjustment to the key figures was carried out in 2020. The key figure for 2020 is only comparable to previous years to a limited extent. Without the adjustment, the figure would have amounted to 83.25 kWh/h.

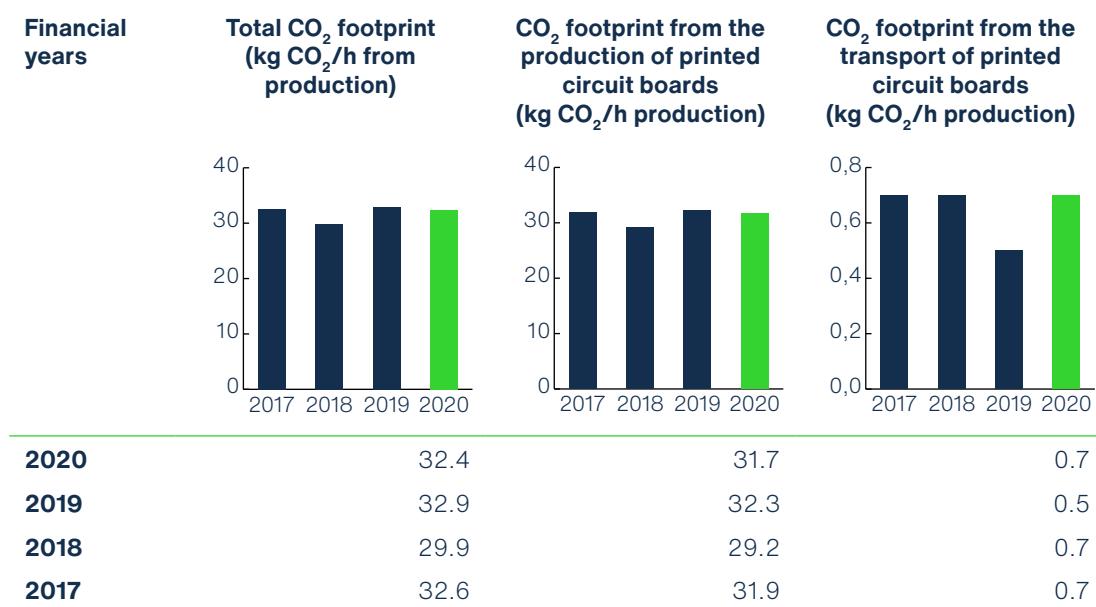
CARBON FOOTPRINT AND MEASURES TO REDUCE CO₂ EMISSIONS

The overall CO₂ footprint is calculated from the production CO₂ footprint and the transport CO₂ footprint. For production, the data from the supply plants for the Schramberg site are used. For transport, CO₂ consumption data from the Federal Environment Agency (UBA), which is recorded per tonne of goods and kilometres driven with the respective means of transport, is used. The CO₂ production footprint includes all indirect CO₂ emissions from electricity consumption and direct CO₂ emissions from gas combustion. The transport CO₂ footprint comprises the CO₂ emissions generated by transporting the finished printed circuit boards to customers.

As part of the ongoing energy-saving measures and the increasing production capacity utilisation, the CO₂ footprint for production per production hour has steadily dropped up to and including 2018. With the exception of 2019, this trend has continued. The reason for this is the higher share of renewable energies for purchased electricity. Since 2016, the company's combined heat and power plant (CHP) has been included in production CO₂ footprint calculations. In 2020, absolute CO₂ emissions were reduced by more than 3,300 tonnes compared to the previous year, which represents a reduction of 24 percent.

All figures shown for the CO₂ footprint refer to production and transport from the Schramberg plant. Sales of Schweizer Electronic AG directly carried out with our partner companies WUS and Meiko amounted to around 30 percent of total sales in 2020 (2019: approx. 30 percent) and are therefore not included in the recognition.

Overall, the transport CO₂ footprint accounts for only about one to three percent of the total CO₂ footprint.

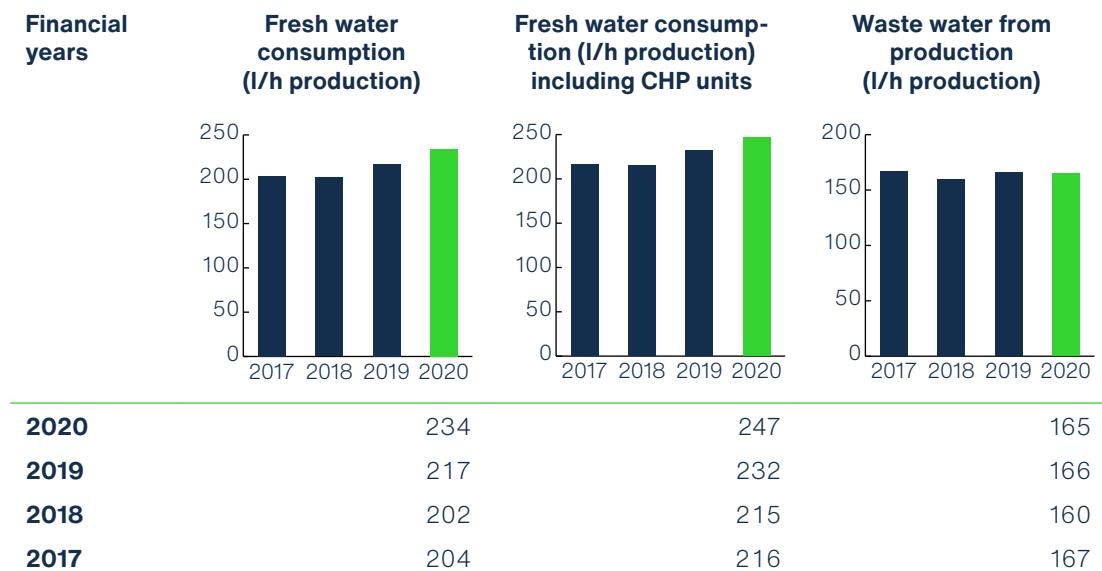


WATER

The production of a printed circuit board contains many water-intensive processes, meaning the consumption of fresh water and the generation of production-related effluents are important indicators for assessing Schweizer Electronic AG's impact on the environment. Therefore, one of our most important tasks in the field of environmental protection is to continuously optimise fresh water consumption and effluents produced during production. For example, excess water from the air-conditioning systems are recirculated to fresh water treatment and not fed to the sewage system. Furthermore, the consumption of treated drinking water is reduced due to the use of rainwater. Environmentally friendly aspects are always taken into consideration when planning and purchasing new plants.

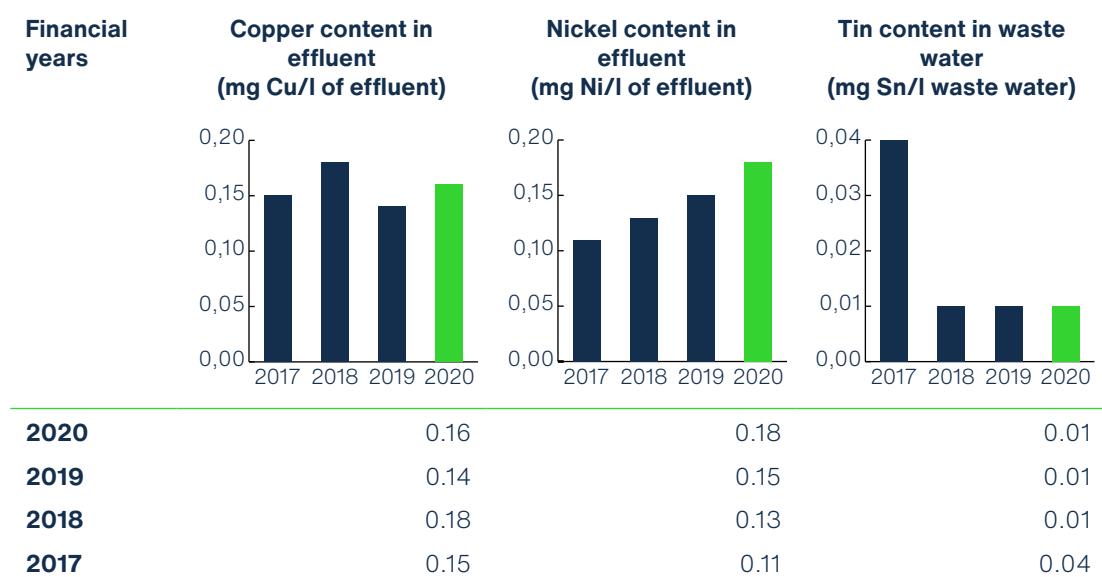
The lower production capacity utilisation also had a negative effect on the fresh water consumption key figures (l/h from production) analogously to the specific energy consumption. The reason for this was due to the basic consumption of fresh water which was not related to the production capacity utilisation.

We have identified fresh water consumption (including consumption by the CHP unit) and waste water from production as relevant key figures for reporting, in each case per hour of production. The target for 2020 was to drop below 180 l/h in terms of waste water from production. Fresh water consumption consists of the water supplied by the city, rainwater and recirculated water.



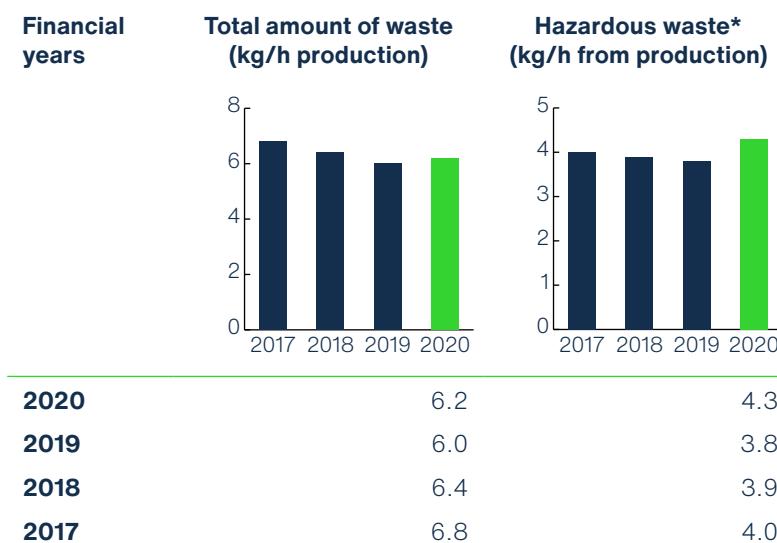
AMOUNT OF COPPER, NICKEL AND TIN IN WASTE WATER

For this report, copper and nickel are the two metals which are especially relevant when identifying metals in water. Both have a permissible limit value of 0.5 mg/l of effluent. For the sake of completeness, we also show the tin content. The limit value here is much higher at 2 mg/l of waste water.



WASTE

Since the first introduction of the environmental management system ISO 14001, the topics of waste and in particular the clean separation of waste is one of our focal points. The goal of consistent separation of the types of waste arising at the company, in addition to the correct disposal, is the way to achieve the best possible use of the waste. Our aim is to avoid waste wherever this is possible in terms of both quality and organisationally. This aim of high-quality disposal can be seen in the fact that more than 80 percent of our overall waste goes to recycling (recovery of metals and any acids or the manufacture of a new product that can be sold). Just under 5 percent can be used for energy recycling. The high share of hazardous waste (in 2020: 70 percent) is specific to the industry due to our in-house electroplating processes.



* in accordance with EU-wide official categorisation; increase in 2020: due to a change in the classification of waste previously not classified as hazardous now classified as hazardous waste.

** in accordance with EU-wide official categorisation; decrease in 2020: due to a change in the classification of waste previously not classified as hazardous now classified as hazardous waste.

RESOURCES

The supply of resources is a rather uncertain factor in the long term: while global demand is increasing, the rising scarcity of resources is leading to restrictions in availability and price hikes. Our mission obliges us to use resources sparingly. Furthermore, the economic factor is relevant for us both in terms of availability to ensure production and cost optimisation in procurement.

We are constantly striving to optimise and redefine our processes technologically to reduce the consumption of raw materials.

For the purposes of this report, we primarily define resources as the materials used in production, from base material laminates, a synthetic resin-impregnated fibre mat, a wide range of metals for the production of conductor paths and the refinement of surfaces, to the chemicals used in wet processes.

The procurement of raw materials / auxiliary materials is carried out according to firmly defined processes.

We generally expect our suppliers to use a QM system based on DIN EN ISO 9000ff and pursue further development towards IATF 16949 as well as have an environmental management system according to ISO 14001 and an energy management system according to ISO 50001/EMAS.

CONFLICT MATERIALS

As a company with a long history and a recognised manufacturer of energy and environmentally friendly products and services, Schweizer Electronic AG takes its corporate social responsibility very seriously. This is why we try to avoid procuring the conflict materials tin, tantalum, tungsten and gold (also known as 3TG) from conflict regions.

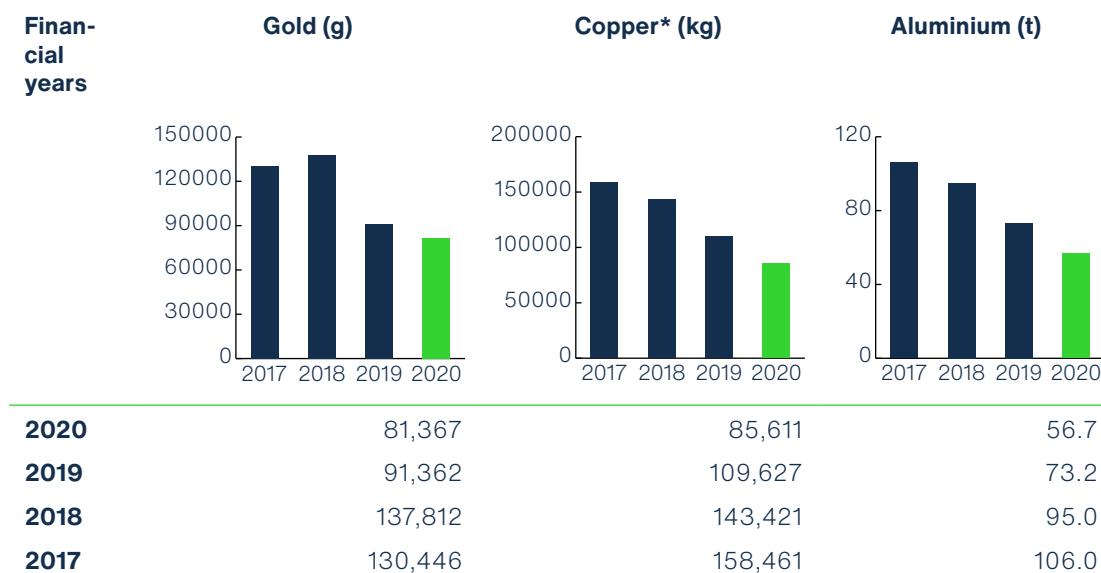
Conflict materials are mined and sold under poor conditions with the aim of supporting and financing armed conflict in the Democratic Republic of Congo and its neighbouring countries. In July 2010, the US government passed the Dodd-Frank Wall Street Reform and Consumer Protection Act to control and prevent the mining and trading of conflict materials. Section 1502 of the Dodd-Frank Act states that US listed companies must assess whether conflict materials are required for the manufacture or operation of their products.

Companies like Schweizer Electronic AG, which supplies to US listed companies, must also inform its customers when conflict materials are present in their products or supply chain.

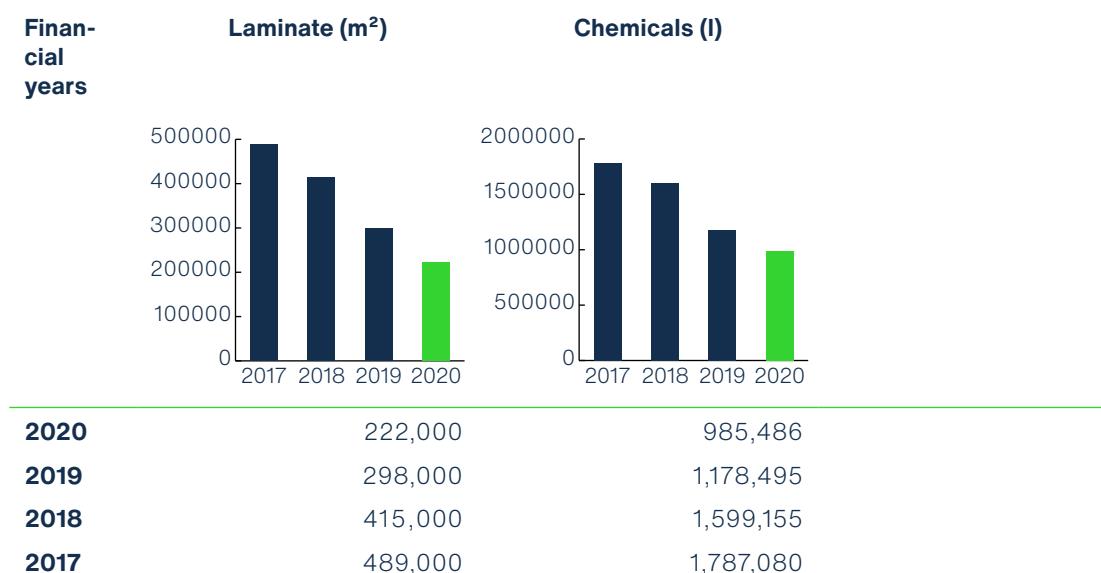
As SCHWEIZER shares the opinion of its customers, we do our best not to purchase raw materials from the Democratic Republic of Congo. This is why we work closely with our suppliers. We expect our suppliers to source their minerals from conflict-free smelters and check their own supply chain for conflict materials. To obtain all the due diligence information we need for our customers, we ask our suppliers to complete the Conflict Mineral Report Template (CMRT).

Due to the COVID-19 pandemic, the materials used declined sharply at the Schramberg plant in 2020. This was due to the lower production volume caused by substantial adjustments to customer orders in the first quarter.

MATERIALS USED BY WEIGHT



* the quantities for copper refer to copper anodes; other copper products (foil or laminates and/or chemicals) are included in the laminates and are not listed separately.



4. EMPLOYEE ISSUES

At SCHWEIZER, the primary focus is on people. Our employees are one of our largest and most important reference groups. This is why employee satisfaction, health and safety, training and further education are essential.

We are committed to our code of ethics and comply with all relevant legal provisions on avoiding discrimination. All employees benefit from equal opportunities and treatment, irrespective of origin, skin colour, gender, creed, sexual orientation, political opinion, social status or other differentiating factors. Employee involvement is a firm component of our corporate culture. The company's management places great value on the opinion of individuals and for this reason the door to the Executive Board and the HR management is, in principle, open to all employees. Anonymised employee surveys and the whistleblowing system are available as further feedback opportunities.

As of the end of the year, Schweizer Electronic AG employed 580 individuals in Germany. The annual average staff turnover rate was 2.96 percent. More than 39 percent of our employees have been with us for more than 25 years. In Asia, we employed 365 people as of the end of the year.

In the context of electric mobility, SCHWEIZER has joined the "green trend" and made charging stations for electric vehicles on the company's premises available. Furthermore, SCHWEIZER also offers its employees the opportunity of a bicycle leasing model for e-bikes.

OCCUPATIONAL HEALTH AND SAFETY

A works agreement was drawn up in the 2017 financial year to be able to determine and evaluate the individual workloads of employees even more effectively than before and to develop measures to improve health protection and ensure humane working environments. This includes conducting risk assessments, recording physical and mental stress, and regulating the assessment of working conditions and measures to be taken in the working environment.

Based on a survey of employees regarding physical and psychological stresses, individual workplace inspections are carried out, prioritised according to the areas that indicate the most hazards according to the employee survey.

Improvements in the structure of the work environment, such as by reducing physical stresses from manual handling of loads or reducing sound pollution at the workplace, were achieved at individual workplaces thanks to the measures proposed by the analytical team which were worked on together with employees and their managers. Effectiveness monitoring and regular iterations of employee surveys assist in securing effective occupational health and safety by means of a continuous improvement process.

In 2019, the seven-day shift system working hour model that includes weekend shifts, was replaced by other existing working hour models in most areas. With these measures, affected employees are now able to structure their weekends in a more family-friendly way.

The health of our employees enjoys the highest priority. A crisis team was therefore established immediately at the beginning of the COVID-19 pandemic. The "Corona Task Force" continuously analyses the current situation and the changes in legislation in order to introduce preventative protection measures. As a result, the employees are kept regularly informed of new developments and sources of danger. Zone concepts were created for the areas in order to minimise the risk of infection, instructions on the AHA-L rules were communicated and, already at the beginning of the pandemic, employees were equipped with medical masks free of charge. These measures were complemented with a rolling remote working concept (working from home) to reduce contacts with colleagues on a preventative basis. All the measures taken assist us in minimising the risk of infection and in overcoming the difficult situation successfully.

COMPANY INTEGRATION MANAGEMENT

In 2018, we introduced company integration management (CIM) and have executed it successfully since then. The objectives of this agreement are overcoming incapacity to work, avoiding future incapacity to work and retention of the workplace.

Securing and promoting employment is the higher-level objective of the development of measures in company integration management. These include measures relating to occupational health and safety, healthy structuring of the workplace, health promotion as well as measures for on-site rehabilitation and vocational further education and training. These measure are carried out in close collaboration with the company doctor.

COMPANY HEALTH MANAGEMENT

In autumn 2019, SCHWEIZER introduced its company health management in collaboration with health insurance schemes and external advice. The aim of the implemented company health management is to adapt and develop company structures and processes in the company to ensure that the work, organisation and conduct at the workplace can be structured in a healthy manner. The purpose of the company health management is to improve employees' health in the long term, strengthen human resources and reduce health risks. In addition, the aim is to increase motivation through good working conditions, raise work satisfaction and improve the working environment. For the company, this means fewer sick days, higher productivity and performance as well as improvements in the quality of products and services.

FLEXIBLE TRANSITION INTO RETIREMENT

Furthermore, an internal working group and the works council devised an in-house solution for partial retirement. This solution facilitates a smooth and flexible transition into retirement for the benefit of our employees. The duration of partial retirement is between a minimum of two to a maximum of six years.

TRAINING

SCHWEIZER employs an average of 21 trainees and dual students who are trained for the company's own requirements. An apprenticeship with us is regarded as the basis for a secure professional future. We believe it is important to employ specialists who have already familiarised themselves with our company during training.

The training programme at Schweizer Electronic AG covers both commercial and industrial professions. The company trains everybody from industrial clerks to industrial mechanics and mechatronics engineers to surface coaters. Depending on requirements, we also employ electronics technicians, IT specialists and dual students in the fields of business administration, industry and business informatics.

Schweizer Electronic AG stands for high-quality training. In addition to technical training in the departments and training workshops, our trainees and dual students are responsible for various projects such as events, company videos and trade fair exhibits. These independent projects promote motivation and independence in their everyday professional life. In addition, workshops, educational trips, team and communication training, training in driving safety and events are provided for the purpose of mutual exchange and to strengthen the community.

In 2019, the learning platform eCademy was integrated into the MLS (Mobile Learning in Smart Factories) digital learning platform in our training system and acts as an additional learning medium for our trainees as a part of training. This learning platform assists trainees in working on subjects from the vocational school classes, to repeat and supplement them, to close individual learning gaps and to thus prepare for their examinations in the best possible way. This learning platform has proven to be extremely useful in particular during the COVID-19 pandemic.

TRAINEE PROGRAMME

As part of the construction of a new plant in China, we started a trainee programme. Over a period of approximately one year, we trained employees at the Schramberg site. They then moved to our plant in China.

FURTHER EDUCATION AND TRAINING

SCHWEIZER offers both external and internal training measures as required. In addition to regular safety briefings, the internal training programme includes a range of courses on innovative technologies and work processes used at SCHWEIZER, including quality and energy management, PC training and seminars on labour and tax law. In addition to imparting knowledge, further education programmes are often primarily aimed at raising awareness, which is why we regard repeat participation as a good refresher in many cases.

PERFORMANCE REVIEWS AND BRIEFINGS ON OCCUPATIONAL SAFETY, ENVIRONMENTAL PROTECTION AND ENERGY MANAGEMENT

Employees' appraisals have been carried out using a new performance assessment system since 2018. The new system is an assessment instrument that is transparent and easy to understand for all employees. The performance appraised determines the annual performance bonus that is paid as a variable remuneration component in addition to the basic salary and is entrenched in an annual appraisal meeting.

A works agreement on line manager assessments has been in place since 2019. Using this assessment, SCHWEIZER makes it possible for employees to give targeted feedback to their line manager.

Recurring briefings on occupational safety, environmental protection and energy management are also held annually. For newly hired staff, briefings take place on the first working day. The aim of the briefings is to provide employees with knowledge of occupational safety, environmental protection and energy management before starting work for the first time and to motivate them to act accordingly by regularly repeating this training.

The relevant indicators with regard to employment, occupational safety and health protection include the total number of employees hired, staff turnover, accidents at work and the resulting days of absence.

NUMBER OF OCCUPATIONAL AND COMMUTING ACCIDENTS AND RESULTING ABSENCES

Financial year	Number of accidents at work and on the way to work*	resulting days of absence
2020	4	42
2019	7	243
2018	22	286
2017	12	110

*These are accidents at work and on the way to and from work, which are subject to reporting requirements.

Of the total of four occupational and commuting accidents in 2020, a reportable incident related to one commuting accident. This sharp decrease must also be seen against the background of the greater use of working from home arrangements as well as short-time work. An analysis of the relatively high number of days of absence in 2019 revealed that the cause was primarily from accidents on the way to work and not from accidents at work.

NUMBER OF EMPLOYEES AND AVERAGE STAFF TURNOVER RATE*

Financial year	Staff as at 31/12	Average staff turnover rate
2020	580	2.96%
2019	688	6.43%
2018	773	3.20%
2017	783	3.96%

* Schramberg site

TOTAL NUMBER OF NEWLY HIRED EMPLOYEES*

Financial year	Total	male	female
2020	13	12	1
2019	17	11	6
2018	65	31	34
2017	76	45	31

* Schramberg site

On 31 December 2020, 18 women (2019: 17) and no men (2019: 1) were employed part-time at the Schramberg site.

5. SOCIAL ISSUES

CORPORATE SOCIAL RESPONSIBILITY

For more than 170 years, we have been closely committed to the Schramberg site and are an important employer in the region. It is our concern to not only create and secure jobs, but to promote social, cultural and sporting activities in the city and surrounding region, and to ensure that the location is attractive and worth living in for present and future generations of employees and their families.

Schweizer Electronic AG is also involved in promoting sports at a local level. For years the company has been the main sponsor of the Tria Schramberg e.V. triathlon association and organises local sporting events together with the association. SCHWEIZER's employees also participate in these events. Furthermore our employees are encouraged and supported in participating in other sporting events in the region.

We have supported Forum Kunst in Rottweil since 2018 by providing financial support as part of a "benefactor" agreement. Forum Kunst was established in 1970 as an art association with the aim of promoting engagement with contemporary art. Since its establishment, care has been taken to establish a forum (not only) for regional artists but also to bring national and international artists to the region and to promote exchange in this way. At the same time, this increases the region's attractiveness as a place to live for employees and their families.

In addition, a variety of aid organisations and associations in the region were given donations and products from workshops for people with disabilities in years past. The local voluntary fire brigade was given funding for its anniversary in the last year. SCHWEIZER was, in this way, able to express its appreciation for the important contribution that the voluntary fire brigade makes to the region.

At the beginning of the COVID-19 pandemic in spring 2020, SCHWEIZER used the opportunity of donating, through the Rottweil district, FFP2/FFP3 masks from the company's own inventory to social institutions (hospitals, care homes, etc) in the district in order to alleviate the acute shortage of masks. In addition, the company allowed employees voluntarily involved with the German Red Cross (DRK), Federal Agency for Technical Relief (THW), the fire brigade or similar organisations time off to assist in the fight against COVID-19 if requested to do any voluntary work for the district administration. In an additional spontaneous campaign by the company, local dentists were supported with donations of masks.

6. RESPECT FOR HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION AND BRIBERY

Respect for human rights is a central component of our corporate management and is set out in detail in our Code of Ethics, our CSR policy and our Conflict Minerals Policy, which is communicated to every employee and supplier. For verification purposes, we expect our suppliers to return the completed Conflict Mineral Report Template (CMRT) to us.

We likewise attach great importance to the fight against corruption. We reject all forms of corruption. We therefore expect our employees and authorised representatives to report all suspected cases of corruption to the Executive Board. We have set out all details for the prevention of corruption in an extra guideline and made it available to our employees.

WHISTLEBLOWING SYSTEM AT SCHWEIZER

As we have a keen interest in ensuring that violations against laws, regulations and internal rules are reported in order to detect unlawful conduct in the company and to be able to clarify same, we introduced a whistleblowing system at SCHWEIZER in 2018 and concluded a works agreement in this regard. Reports from employees, former colleagues, customers and third parties at an early stage can assist in developing a preventive strategy in order to avert tangible and intangible losses as well as legal consequences and reputational damage to the company and its employees.

The whistleblower system opens up a confidential communication channel in which employees and other persons have the opportunity to report legal violations or violations of internal guidelines in connection with the company electronically to a central administrator. Special care is taken to ensure that participants' personality rights, informal right of self-determination and data privacy are preserved.

7. GRI CONTENT INDEX

The non-financial statement contains standard disclosures from the GRI Sustainability Reporting Guidelines.

GENERAL STANDARD DISCLOSURES

General standard disclosures	Brief description for the respective disclosure	Reference to the pages of the Non-Financial Report in the Annual Report	Notes
<u>Organisational profile</u>			
102-1	Name of organisation	Non-Financial report 2020 point 1	
102-2	Brands, products and services	Annual Report 2020 p. 32ff	
102-3	Company headquarters	Annual Report 2020 pp. 32, 118	
102-4	Overview of sites	Annual Report 2020 p. 32	
102-5	Ownership and legal form	Annual Report 2020 pp. 32, 118	
102-6	Markets	Annual Report 2020 p. 38ff	
102-7	Size of company	Annual Report 2020 p. 2	
102-10	Significant changes within the organisation and its supply chains	Annual Report 2020 p. 32	
102-11	Precautionary principle or precautionary approach	Annual Report 2020 p. 62ff	
<u>Strategy</u>			
102-14	Statement by the highest decision-making body	Non-Financial report 2020 point 2	
102-15	Significant effects, risks and opportunities	Annual Report 2020 p. 62ff	
<u>Ethics and integrity</u>			
102-16	Values, principles, standards and code of conduct	Non-Financial report 2020 point 2.	
102-17	Procedures regarding advice and concerns relating to ethics	Non-Financial report 2020 point 6	
<u>Governance</u>			
102-18	Governance structure	Annual Report 2020 p. 170f, 186ff	
<u>Inclusion of stakeholders</u>			
102-40	List of stakeholders	Non-Financial report 2020 point 1	
102-42	Determination and selection of stakeholders	Non-Financial report 2020 point 1	
102-43	Approach for the inclusion of stakeholders	Non-Financial report 2020 point 1	
102-44	Important topics and concerns	Non-Financial report 2020 point 1	

General standard disclosures	Brief description for the respective disclosure	Reference to the pages of the Non-Financial Report in the Annual Report	Notes
<u>Reporting process</u>			
102-45	Companies in the consolidated financial statements	Annual Report 2020 pp. 32, 172	
102-46	Procedure for determining the content of the report and topic limits	Non-Financial report 2020 point 1	
102-47	List of important topics	Non-Financial report 2020 point 1	
102-48	New presentation of information	None	
102-49	Change in reporting	None	
102-50	Reporting period	Annual Report 2020 (01/01 - 31/12/2020)	
102-51	Date of last report	Date published: 24/04/2020	
102-52	Reporting cycle	annual	
102-53	Contact for questions about the report	Elisabeth Trik (Investor Relations)	
102-54	Notes on reporting in accordance with GRI standards	The report was prepared on the basis of the GRI standard (2016)	
102-55	GRI content index	Based on the GRI standard (2016)	
102-56	Internal assurance	This sustainability report was not audited externally. The quality of the data was reviewed by the Supervisory Board.	

SPECIFIC STANDARD DISCLOSURES

General standard disclosures	Brief description for the respective disclosure	Reference to the pages of the Non-Financial Report in the Annual Report	Notes
<u>Anti-corruption</u>			
205-2	Communication and training on anti-corruption guidelines and procedures	Non-Financial report 2020 point 6	
205-3	Confirmed cases of corruption and measures taken	None	
<u>Materials</u>			
301-1	Materials used by weight or volume	Non-Financial report 2020 point 3	This is a quantitative list of the most important production materials. Due to its complexity, it is currently not possible to break it down into renewable and non-renewable materials. Packing materials are not included.
<u>Energy</u>			
302-1	Energy consumption within the organisation	Non-Financial report 2020 point 3	
302-3	Energy intensity	Non-Financial report 2020 point 3	The total energy consumption includes electricity and gas. The hour of production serves as the organisation-specific parameter for measuring the intensity. The information for SCHWEIZER indicates specific energy consumption.
302-4	Decrease in energy consumption	Non-Financial report 2020 point 3	
<u>Water</u>			
303-1	Water withdrawal by source	Non-Financial report 2020 point 3	The information is not in absolute values but per production hour.
<u>Emissions</u>			
305-x	Emissions	Non-Financial report 2020 point 3	The diagram contains the total CO ₂ footprint, which includes both direct CO ₂ emissions (gas combustion) and indirect CO ₂ emissions from electricity purchased from utility companies. An additional distinction is made between the CO ₂ footprint resulting from production, which also consists of direct emissions, and the CO ₂ footprint caused by transporting our goods (direct emissions only). Gas, petrol and electricity consumption were used to determine CO ₂ . No oil was used. Since the consumption values of the utility companies (electricity) are not supplied until the autumn of the following year, the value is determined using the previous year's values as an estimate. Information is shown per production hour.

General standard disclosures	Brief description for the respective disclosure	Reference to the pages of the Non-Financial Report in the Annual Report	Notes
<u>Effluents and waste</u>			
306-1	Volume of waste water discharge by quality and place of discharge	Non-Financial report 2020 point 3	The information is not shown in absolute values but in volume per production hour. The quality of the effluents is indicated in mass per volume based on selected residual metal impurities.
306-2	Waste by type and disposal method	Non-Financial report 2020 point 3	The figure includes the total amount of waste and the breakdown into hazardous and non-hazardous waste and clean recyclable plastics per hour of production.
<u>Employees</u>			
401-1	Total number of newly hired employees and staff turnover	Non-Financial report 2020 point 4	The number of employees and the total number of newly hired employees are stated in absolute figures. The fluctuation rate is expressed as a percentage and is not separated by gender.
<u>Occupational health and safety</u>			
403-2	Occupational accidents, lost days, fatalities	Non-Financial report 2020 point 4	A list is provided of accidents subject to reporting requirements at the Schramberg site and the resulting days of absence. There were no fatalities.
<u>Training and education</u>			
404-2	Competence management and training programmes	Non-Financial report 2020 point 4	
404-3	Regular Employee Performance Reviews	Non-Financial report 2020 point 4	It is not possible to list employees by gender or employee category.
<u>Diversity and equal opportunities</u>			
405-1	Diversity in controlling bodies and employees	Corporate governance statement 2020 p. 192ff Annual Report	
<u>Social evaluation of suppliers</u>			
414-2	Negative social effects in the supply chain and measures taken	Non-Financial report 2020 point 6	

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