

SUSTAINABLE GROWTH – FOR MORE THAN 100 YEARS

Sustainability Report 2021

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About this report

Sustainability is about balancing economic, social, and environmental responsibility. Within the Datwyler Group, sustainability is one of four strategic priorities embedded in everything Datwyler does, from product development and production to customer support and human resource management.

Given the considerable importance of sustainability to the company, employees, and communities where it does business, Datwyler publishes an independent sustainability report that meets the GRI standards every year.

About us

Leading provider of high-quality, system-critical elastomer components.

Datwyler focuses on high-quality, system-critical elastomer components and has leading positions in attractive global markets such as healthcare, mobility, connectivity, general industry, and food & beverage. With its recognized core competencies and technological leadership, the company delivers added value to customers in the markets served. Datwyler concentrates on markets that offer opportunities to create more value and sustain profitable growth.

With more than 25 operating companies, sales in over 100 countries, and more than 8'000 associates Datwyler, headquartered in Switzerland, generates annual sales of more than CHF 1'000 million. Looking back on more than 100 years of successful corporate history, the company has been listed on the SIX Swiss Exchange since 1986 (security no. 3048677).



over **100**
countries with sales



over **1'000**
customers and innovation
leaders



over **25**
sites worldwide



over **100** million
components
manufactured every day



over **8'000**
associates worldwide



over **100**
years of material
expertise

Highlights 2021



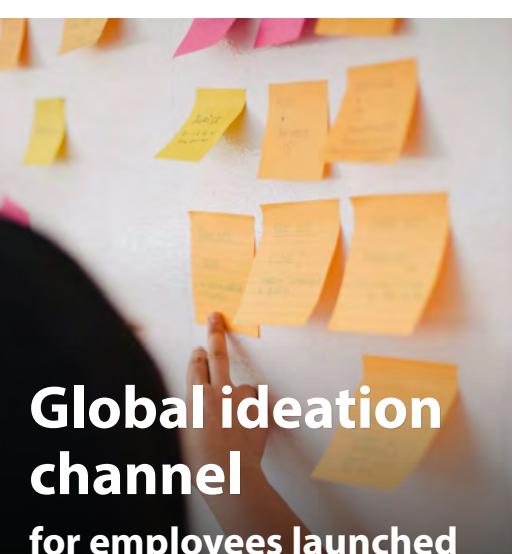
Defined 12 focus topics to reduce the environmental footprint and create added value for all stakeholders

Strategy



Reduction of CO₂ emissions per revenue unit by 8.1%

Environment



Global ideation channel for employees launched

Social



Appointed new function Head of Sustainability and Agility

Organisation



Diversity, Equity, and Inclusion (DEI) policy formulated

Social



Sustainability targets integrated in compensation system

Governance



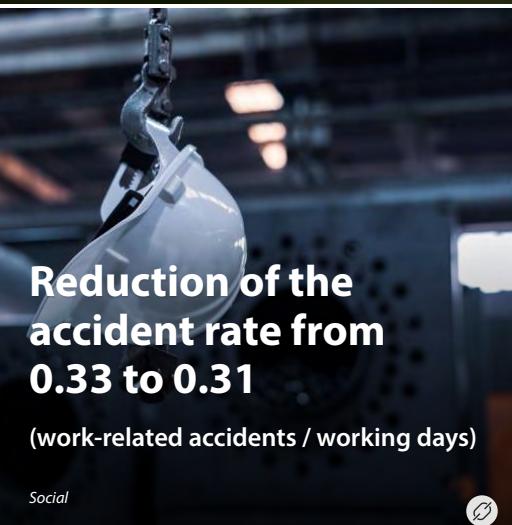
Share of renewable electricity increased from 20% to 38%

Environment



New photovoltaic system in India put into operation

Environment



Reduction of the accident rate from 0.33 to 0.31
(work-related accidents / working days)

Social





Interview with Chairman & CEO

Paul Hälg, Chairman of the Board, and CEO Dirk Lambrecht discuss the current challenges of sustainable corporate governance. To meet its own high standards and the expectations of its stakeholders, Datwyler relies on proven sustainability principles and concrete targets.



How important is sustainability for Datwyler?

“ DIRK LAMBRECHT:

Sustainability is nothing new for Datwyler. We have been on the market for 106 years and have always adapted well to change. In addition to the economic continuity of the company, social responsibility has always been a key aspect of what we do. I'm glad the topic is receiving greater attention, as it allows us to put our strengths to good use.

“ PAUL HÄLG:

The succession plan at Datwyler already has a high sustainability value because it secures the company's independence. Datwyler has never sought short-term profit, but rather always focused on sustainable, profitable growth.

What are the benefits of sustainability for Datwyler's customers?

“ DIRK LAMBRECHT:

Many customers are under pressure to prove that they work with suppliers who take sustainability very seriously. More and more major customers are including sustainability in their supply contracts, giving us additional motivation to continue along the path we have chosen.

What progress has Datwyler made in sustainability in 2021?

“ PAUL HÄLG:

We have decisively developed our sustainability strategy in 2021. Along our twelve focus topics, we will reduce Datwyler's environmental footprint and create value for all stakeholders. It was also important for us to set concrete, tangible targets with a reasonable time horizon. We want to achieve climate neutrality (Scope 1 and 2) at all our sites worldwide as early as 2030, following the Science Based Targets approach.

“ DIRK LAMBRECHT:

In order to drive the implementation of our new sustainability strategy and to quickly make countable progress toward our goals, we have integrated the objectives into our remuneration system. We are convinced that this is decisive in terms of the pace of development and will thus enable us to position ourselves even more favourably in the market in just a few years.

Where do you see further potential for expansion at Datwyler in terms of sustainability?

“ PAUL HÄLG:

Currently, there is an understanding that sustainability has to do primarily with processes, however there is still important potential in the engineering of products.

“ DIRK LAMBRECHT:

We are researching new materials that are both sustainable and profitable. We're already doing relatively well, but it can be a challenge because we are dependent on resources in certain regions and rely on politicians to take responsibility for sustainability.

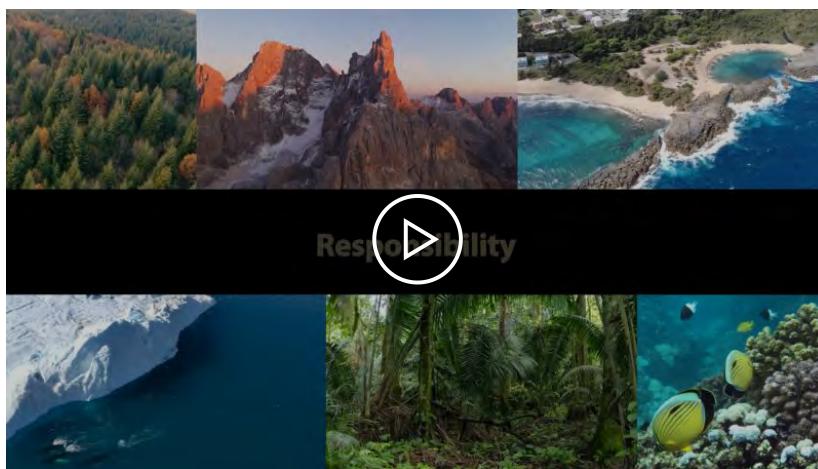
What is important to you for the future?

“ PAUL HÄLG:

From the perspective of the Board of Directors, it is important to design a process that addresses issues through objectives. We should focus on areas where we can make concrete contributions to sustainability.

“ DIRK LAMBRECHT:

In the short and medium term, anchoring the idea of sustainability even more deeply in the company is vital. Everyone at the company should be aware of their responsibility in this respect.



Decision maker in charge for sustainability

Ambitious sustainability goals can only be achieved if they are carried across all units and levels of a company. At Datwyler, the entire management team is committed to sustainability and drives developments in their individual areas of responsibility.

Advance sustainability at Datwyler

Also available in other languages:

«We have decided to enhance our sustainability strategy with a clear roadmap for the coming years.»



Dirk Lambrecht
CEO

1 Sustainability overview

For Datwyler, sustainability means operating successfully in the present, while also being oriented toward the long term and delivering more value for all stakeholders.

- 1.1 What sustainability means to Datwyler
- 1.2 Material topics
- 1.3 Twelve ESG focus topics for further development
- 1.4 Top 10 goals
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- 1.7 Accelerate digitalisation

1.1 What sustainability means to Datwyler

Climate risk and regulation as major external trends

In recent years, corporate sustainability has gained significantly in importance, especially for stock-rated businesses. The primary driver has been the increasing global risk of climate change, which has been playing a major role in politics (for example, the Paris Agreement) and society (for example, political movements like «Fridays for Future»).

Climate change-driven EU-wide initiatives and regulations such as the EU «Green Deal» and EU Action Plan «Sustainable Finance» oblige the financial industry to act as a sustainability enabler by keeping climate protection and other environmental topics in focus. The financial industry and relevant rating and ranking agencies have increased their pressure on corporations for more transparency and improved ESG (Environment-Social-Governance) performance. As of 1 January

Being aware of its responsibility toward its stakeholders, society, and the environment, Datwyler is ready to: responding to climate change; improve ESG compliance, transparency, and performance; make a long-term transition toward a circular economy with products and services based on life-cycle thinking; navigate demographic and social changes that affect future consumer and employee expectations; and respond to industry-specific sustainability trends like individual,

2022, Switzerland has recently introduced a legal obligation of transparency on non-financial aspects for larger companies.

digitalized healthcare approaches and electric mobility.



Responding to climate change

- Reducing carbon emissions substantially toward long-term climate neutrality
- Committing to Science Based Targets to contribute a fair share to Paris agreement on climate protection
- Climate positivity replacing net-zero

ESG compliance, transparency, and performance

- Integrating ESG in business processes
- Linking executive compensation to ESG performance
- Integrating sustainability risks in business risk management
- Meeting investor and regulatory ESG requirements

Applying technology to sustainability

- Businesses will accelerate efforts to add carbon footprint labels to products
- Reduce, Reuse, Recycle
- Building sustainable and resilient supply chains
- Life cycle thinking across company (no silos)



Sustainability becomes the new «normal»

- Digitalisation in all aspects of life
- Diversity in management and workforce
- Valuing human capital: Connect work more closely with purpose to retain and engage employees

Industry-specific sustainability trends

- Aging population in Europe with specific health requirements
- Digital and individual approaches to healthcare
- World-wide pandemic
- Electric mobility and lightweight vehicles



What sustainability means to Datwyler

Four strategic priorities to drive Datwyler into a successful future

Several global megatrends are increasing the demand for more powerful and complex technological products—and many of Datwyler's system-critical components are essential to this technological progress. To take advantage of these growth opportunities while also preparing for unforeseen challenges, Datwyler has defined four strategic priorities:

- drive profitable growth
- accelerate digitisation
- increase agility
- advance sustainability

The sustainability measures are discussed in detail throughout this report, while activities related to agility are outlined in the chapter «Employer of choice». As the strategic priorities of profitable growth and digitalisation are not assigned to a specific focus topic in Datwyler's ESG landscape, they are described below.



«Advance Sustainability» as proactive strategic priority

For Datwyler, sustainability means operating successfully in the present, while also being oriented toward the long term. Thus, the company wants to not only be responsive to current global and market trends, but to proactively contribute to shaping a sustainable future. A long-term orientation means striking a balance between economic, environmental, and social aspects in all decision-making processes.

Datwyler's vision is to become a truly sustainable company focused on people, planet, and profit. This vision is inspired by the company's intrinsic motivation to safeguard what is most essential for the business and its shareholders, customers, workforce, and their families. Building on more than 100 years of corporate history and a decade of sustainability achievements, when Datwyler made sustainability a strategic priority in 2020, it reinforced the importance of integrating sustainability across the company's activities.



Sustainability business integration and value creation for stakeholders

By adding sustainability as fourth strategic priority, it is now considered an integral part of Datwyler's overall strategy to improve opportunities and reduce risks. In addition to helping the company sustain high profitability, sustainability initiatives have simultaneously created value for many stakeholders by:



Creating innovative and sustainable products for customers



Decreasing its environmental footprint along the entire value chain



Enhancing prospects for employees in numerous regions



Offering attractive and equal opportunities for all talents



Cooperating with suppliers and business partners based on fairness



Modelling leadership for sustainable development in the industry



Sharing success with communities close to production sites

1.2 Material topics

Datwyler conducted a comprehensive materiality analysis in 2016 (see Sustainability Report 2019, page 6), assessing topics in terms of both business relevance and their impact on the economy, society, and the environment. In developing the new sustainability strategy, the selection of material economic, social, and environmental topics was revised and topics were further focused and clarified.

The accompanying analysis was performed by the Sustainability Team and reviewed and confirmed by the Executive Management. No external stakeholders were consulted during the update of the materiality analysis. The results of the materiality analysis and the twelve ESG focus topics show a high level of alignment, which was an objective of the strategy process (GRI 102-47).



1.3 Twelve ESG focus topics for further development

In 2021, Datwyler established an ESG landscape with 12 focus topics that embody the company's commitment to reducing its environmental footprint and delivering more value for all stakeholders. The focus topics are structured according to Environmental, Social, and Governance (ESG) priorities and are intended to close gaps and build on existing strengths. Each topic bundles activities relating to current and future projects, and contain clear responsibilities with measurable objectives, derived measures, and quantifiable key figures for effective monitoring.

Environmental Reduce footprint



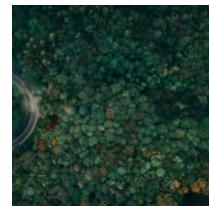
Climate-neutral operations 2030 Science Based Targets



Eco-design Lifecycle thinking, sustainable products



Resource-friendly production Waste, water, materials



Sustainable Procurement ESG compliant processes, sustainable solutions through supplier base

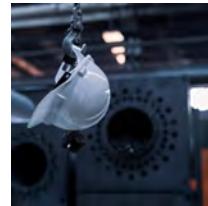
Social Deliver more



Employer of choice Employee commitment & satisfaction, employer branding, diversity & inclusion



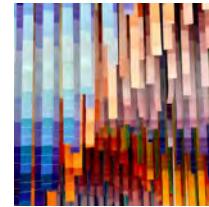
Value-driven engagement with customers Interactions, collaboration, positive social impact



Safe and healthy workforce



Engagement for sustainability Volunteering for activities for company, customers, society



Transparency

Reporting, standards, ratings

Compliance and ethics

Human rights, Code of Conduct, policies, proactive chemical compliance

Diversity of the BoD and Executive Management

Budget & resources, principles, memberships, remuneration



Environmental

Reduce footprint

Reducing its ecological footprint is an important aspect of sustainability, supported by many of Datwyler's stakeholders. To achieve this, one of the company's environmental initiatives is to attain climate neutrality by 2030 following the Science Based Targets¹² approach. Other environmental initiatives focus on: embedding eco-design principles into its product and manufacturing development processes; increasing sustainability awareness and lifecycle thinking in the company; reinforcing initiatives to reduce water, heating, and electricity consumption; reducing waste generation; and finding sustainable procurement solutions through the supplier base that align with internal and external benchmarks.



Social

Deliver more value

By focusing on social activities Datwyler aims to deliver more value and meaningful purpose to its customers and employees. Employee satisfaction and commitment are crucial for continued success and employer branding. Having a dynamic, diverse, and multicultural workforce brings several advantages such as increased productivity and creativity, improved cultural awareness, a positive reputation, and expanded marketing opportunities. Other social initiatives include: engaging with customers to co-create sustainable products; safeguarding the safety and health of the workforce; initiating volunteer communities for employees to contribute to sustainability-related activities; and contribute to society initiatives.



Governance

Be responsible

In the area of governance, Datwyler focuses on continuous development of transparency, compliance and ethics, diversity of the Board of Directors and Executive Management, and commitments such as integrating a sustainability component into variable pay for all bonus eligible employees.

1.4 Top 10 goals

To make the ESG focus topics more tangible, Datwyler developed its top 10 sustainability goals for 2030.



Climate neutral operations (scope 1+2) by 2030 applying the Science Based Targets (SBT) approach.

Environmental



All new product developments include eco-design check by 2023.

Environmental



Waste-free production and reduction in water consumption relative to tons of products produced by 3% per year.

Environmental

			
Employee commitment rates above industry benchmark for all sites. Social	Perceived as sustainability leader by customers. Social	Zero accidents and zero injuries and healthy working environment. Social	At least one annual external community activity per location. Social

		
Be among top 25% in all relevant sustainability ratings. Governance	Have ≥20% of women in executive management. Governance	Code of Conduct signed by all suppliers. Governance

1.5 Contribution to the SDGs

The 17 United Nations Sustainable Development Goals (SDGs) ¹⁷ are a universal blueprint for prosperity for people and the planet, now and into the future. They represent the collective actions the world can take to address the most pressing issues we face as a global community: inequality, injustice, poverty, and climate change.

Datwyler has identified seven goals to which the company contributes as part of its value chain activities.



Ensure healthy lives and promote well-being for all at all ages.

Sustainable Development Goal #3 ¹⁷

- [Safe and healthy workforce](#)
- [Supporting the global need for COVID-19 vaccines](#)
- [Customer Health and Safety and Chemical Compliance](#)

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Sustainable Development Goal #4 ¹⁷

- [Employer of choice](#)

Achieve gender equality and empower all women and girls.

Sustainable Development Goal #5 ¹⁷

- [Employer of choice](#)
- [Diversity of the Board of Directors and Executive Management](#)

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Sustainable Development Goal #8 ¹⁷

- [Employer of choice](#)
- [Strong economic performance as the foundation](#)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Sustainable Development Goal #9 ↗

- [Eco-design](#)
- [Sustainable procurement](#)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Ensure sustainable consumption and production patterns.

Sustainable Development Goal #12 ↗

- [Resource-friendly production](#)
- [Eco-design](#)

13 CLIMATE ACTION



Take urgent action to combat climate change and its impacts.

Sustainable Development Goal #13 ↗

- [Climate neutral operations 2030](#)

1.6 Economic performance

Datwyler strives for sustainable, profitable growth to benefit all its stakeholders. This ambition, combined with the company's unique shareholder structure, helps ensure its independence as a business and enhances its ability to meet its social and environmental responsibilities.

Long-term management approach

Datwyler adheres to a long-term management approach, as evidenced by its successful history dating back over 100 years. In fact, several production plants have been located at the same sites for decades. Datwyler often ranks among the largest employers in the regions where it is based, generating considerable direct benefits for the local economy. The company also offers indirect economic benefits through training programs offered to locals, for example, and via the taxes paid by Datwyler's local suppliers and their employees.

Focused Datwyler achieves profitable growth

In the second year marked by the global COVID pandemic and its side effects, Datwyler continued to build on the benefits of a sharpened strategy.

Datwyler increased its revenue to CHF 1'101.7 million in 2021. Operating profit (EBIT) rose to CHF 234.2 million thanks to the profit of CHF 58.4 million from the sale of the online distributor Reichelt. Datwyler is now focusing exclusively on system-critical elastomer components. The continuing operations generated record revenue and currency-adjusted growth of 15.0%. The associated EBIT margin improved to 16.9%. The dividend payment was increased by 31.3% to a total of CHF 71.4 million.

(For more details on economic performance see the Annual Report 2021, particularly the Letter to the Shareholders and the chapter Business Areas.)

Transformation complete – focus on organic growth and targeted acquisitions

With the sale of online distributor Reichelt in autumn 2021, Datwyler's strategic transformation into a specialist in system-critical elastomer components is now complete. In the forthcoming phase, the company will focus on organic growth and targeted acquisitions to strengthen existing business sustainably. Datwyler's strong balance sheet, highly distinctive core competencies, and the associated competitive advantages provide an ideal basis from which to accelerate the implementation of the growth strategy and overcome the challenges of the pandemic. The company will also continue to make acquisitions in order to open up new geographical markets, technologies, or related product segments. Current examples are the acquisition of Yantai Xinhui Packing, providing direct access to the attractive Chinese healthcare market, and the planned acquisition of the US-company QSR, opening-up the fast growing segment of seals for electrical connectors.



State-of-the-art production at the plant in Schattdorf, Switzerland.

1.7 Accelerate digitalisation

By continuously investing in state-of-the-art digital technologies, Datwyler is increasing the efficiency of its manufacturing and development processes, and facilitating collaboration among employees and stakeholders. For example, the transition to working from home brought on by COVID has had no impact on employees' productivity. To benefit from the manifold growth in its markets, Datwyler will continue to proactively pursue the new possibilities and opportunities of digitalisation, focusing on four main topics: cloudification, network and cyber security, data-driven intelligent organisation, and smart factories.

Real-time production planning thanks to Industry 4.0

In moving from physical servers to the cloud, Datwyler increased scalability and productivity and improved employee collaboration across departmental and national boundaries. To ensure business continuity, Datwyler constantly monitors its networks by internal and external specialists and via regular penetration tests to minimize the risk of cyberattacks. To become an even more data-driven, intelligent organisation, the company has invested in a future-ready ERP system with built-in digital technologies, including artificial intelligence, machine learning and advanced analytics. SAP S/4 HANA and SAP Integrated Business Planning (IBP) will enable Datwyler to analyse large volumes of business data for planning, execution, forecasting, and simulation in real time, allowing the company to optimally adjust the available production capacities to demand.

Highly automated smart factories

In parallel, Datwyler is continuously replacing the existing manufacturing management systems with state-of-the-art SAP MII technology. SAP MII synchronizes manufacturing operations with the back-office business processes, standardizes the data, and thus enables paperless production and production reports in real time. With its smart factories approach, Datwyler increases its competitiveness by using Big Data, real-time information, and the technological potential of automation across its sites. A prime example of leading-edge Industry 4.0 competencies is the new healthcare plant in the US, where Datwyler is running fully interconnected, highly automated, and paperless production, thanks to state-of-the-art digital technologies. As part of the existing uniform production system, the knowledge that has been acquired in the US is continuously introduced into all other Datwyler plants.



«Datwyler has always been a frontrunner when it comes to sustainability.»



Dirk Borghs
COO Healthcare Solutions

 [Watch the video](#)

2 Governance

Datwyler focuses on continuous development of transparency, diversity of the Board of Directors and Executive Management, commitment, and compliance and ethics, such as a proactive chemical compliance management.

- 2.1 Sustainability governance
- 2.2 Risk management
- 2.3 Focus topics

2.1 Sustainability Governance

Oversight and execution of sustainability strategy at Datwyler

In 2021, Datwyler implemented a new sustainability governance model. This new model is grounded in enabling factors, organized by strategy, overseen by organisational roles and responsibilities, and supported by steering frameworks.



Enablers

Enabling factors are the ecosystems in which Datwyler is embedded and the leadership, people, partnerships, and resources that the company employs to create value. These enabling factors are the framework Datwyler needs to have a resilient and successful sustainability strategy.

Organisation

With regard to organisational roles and responsibilities, in line with the Board of Directors' responsibility to determine the principles of corporate strategy (see the Corporate Governance section in the Annual Report), the Board also oversees the development and adoption of the Datwyler Sustainability Strategy and related policies; monitors and reviews general progress toward achievement of the Sustainability Strategy; acknowledges and accepts the yearly ESG reporting; and ensures that risk mitigation activities are developed. While the Board is responsible for oversight, the

Steering

The Executive Management approves detailed sustainability policies and standards and defines and monitors sustainability risks. Furthermore, to optimize coordination and alignment at the Group level and monitor the implementation of the Sustainability Strategy, a Sustainability Steering Committee and Sustainability focus teams have been established that are coordinated by the Head of Sustainability. The Steering Committee reviews regularly, in dedicated OKR meetings, the sustainability-related performance of the Top 10 goals and is

Strategy

This strategy is grounded in a careful assessment of the topics that are material for the company to create sustainable value in a manner that respects all relevant regulations, and is built around ESG focus topics, Top 10 goals, and an objective and key result (OKR) transformation program.

Datwyler Executive Management ensures the implementation of the Sustainability Strategy.

composed of the CxOs Head of Sustainability, and other senior management representatives. The sustainability focus teams take care of the continuous improvement of the ESG focus topics.

The speed and effort of the strategic implementation depends on Datwyler's utilisation of steering elements including regulations, transparency, best practices and learnings, risks, and awareness.

2.2 Risk management

The Datwyler Group is aware of the importance of systematic risk management for lasting corporate success and sustainable long-term profits. Final responsibility for assessing risks lies with the Board of Directors, while the Head of Internal Audit, supported by several people in the organisation, is responsible for the Group-wide coordination of risk management.

As part of an ongoing process, risks are continuously identified and assessed throughout the Group. This includes economic, social, and environmental risks that affect business continuity. An open exchange of views on opportunities and risks is encouraged at all levels of the company and is part of the corporate culture.

The management of each function or business area is responsible for significant risks, informing the Executive Management and the Board of Directors of any potential developments and recording its findings in a risk management database. The CFO of the Datwyler Group and the Head of Internal Audit monitor the risk management process through active exchanges and quarterly meetings with the respective businesses. Risks are also regularly discussed in meetings between the business management and the Group management, ensuring that uniform valuation approaches are applied and that similar risks are treated equally across the Group functions and business areas. The consolidation of risks and the annual reporting to the Board of Directors are carried out by the Head of Internal Audit.

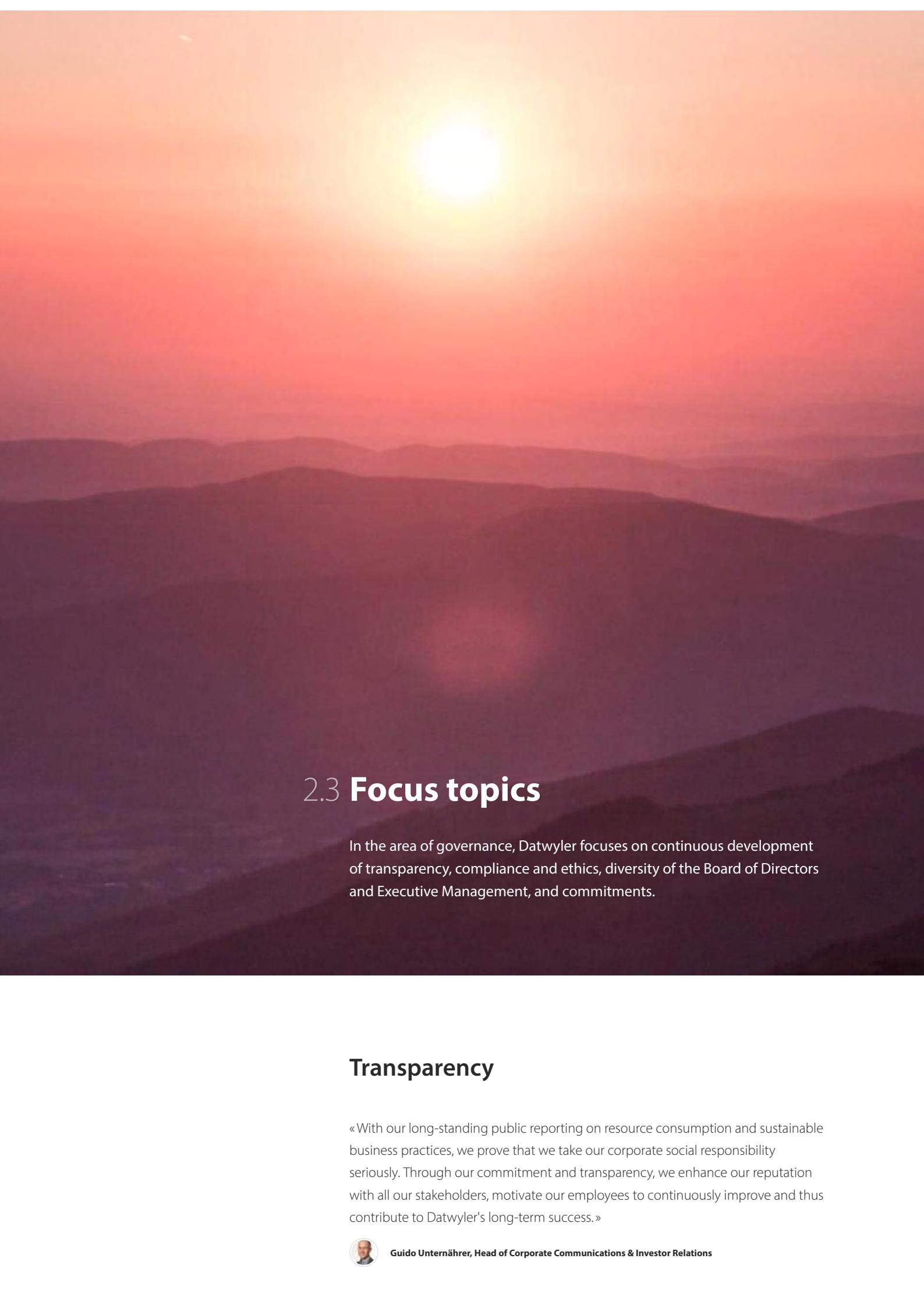
The company-wide risk management process is also supported by a Business Continuity Process (BCP), which has been in place at all production sites for almost 20 years. Business continuity planning establishes risk management processes and procedures that aim to prevent interruptions to mission-critical services, and reestablish full function to the organisation as quickly and smoothly as possible. The underlying business continuity plans consider various unpredictable events, such as natural disasters, fires, disease outbreaks, cyberattacks, and other external threats. The underlying risk management at the sites is based on ISO 31000 and integrates regular audits. The BCP process at the production sites is currently being further developed to explicitly integrate key ESG risks such as climate change, framework conditions in the supply chain, or access to skilled labor.

Datwyler divides risks into four categories: strategic, operational, financial, and compliance. Global risks like climate change are translated into one or several of these business risk categories according to their impact. Strategic risks include risks relating to the industry and the market, external stakeholders, social and environmental developments, corporate governance, and catastrophic events. Operating risks include risks along the value chain, risks from investment activities, and personnel and cultural risks. The financial risk category includes market risk, liquidity and credit risk, capital structure, and compliance with tax and accounting regulations. Finally, compliance risks are defined as the risks arising from laws, regulations, and other rules and regulations, including existing and upcoming laws on ESG topics. Risks are assessed on the basis of the probability of occurrence and the potential loss amount. Once the individual risks have been

identified and assessed, the business area management is responsible for developing a series of measures to reduce the risk of occurrence and the potential loss. The implementation of these measures is monitored as part of the continuous risk management process and taken into account in the next risk evaluation.

ESG aspects are included in the risk management system described above, at Group level as well as at business units and production site level. In addition, Datwyler is currently focusing on expanding ESG risk management in the following areas:

- Climate change risks, measures, and performance have been described for many years in sustainability reporting and as part of CDP reporting. New reporting is being developed in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which is to be published before the end of 2022.
- The ESG risk assessment in purchasing and in the supply chain is being continuously expanded. Due to the new Swiss law on the Responsible Business Initiative, risk exposure to conflict materials and child labor in particular are being further clarified.
- In the future, access to talent and skilled workers will be more explicitly included in the risk assessment.



2.3 Focus topics

In the area of governance, Datwyler focuses on continuous development of transparency, compliance and ethics, diversity of the Board of Directors and Executive Management, and commitments.

Transparency

«With our long-standing public reporting on resource consumption and sustainable business practices, we prove that we take our corporate social responsibility seriously. Through our commitment and transparency, we enhance our reputation with all our stakeholders, motivate our employees to continuously improve and thus contribute to Datwyler's long-term success.»



Guido Unternährer, Head of Corporate Communications & Investor Relations

Datwyler believes transparency is fundamental for stakeholders to recognize the company as a reliable partner. The company has consistently disclosed its ESG performance against leading and internationally recognized frameworks and published a sustainability report in accordance with GRI and the ten principles of the UN Global Compact since 2009.

The company has also disclosed its energy consumption and resulting CO₂ emissions to CDP (Carbon Disclosure Project) since 2013. Datwyler has received the silver rating for sustainability performance from the globally recognized rating agency EcoVadis for the fourth time in a row. This places the company in the top 5% of more than 90,000 companies from 160 countries analyzed by EcoVadis. Within the elastomer industry, Datwyler counts among the top 8% of companies examined, according to EcoVadis.

→ [Read more about Datwyler's EcoVadis rating](#)



**United Nations
Global Compact**

UN Global Compact

With more than 11,000 members, the United Nations Global Compact promotes awareness of the social and ecological responsibility of business.

→ [Learn more](#)



Carbon Disclosure Project

CDP operates a leading global system for reporting on energy and resource consumption on behalf of institutional investors.

→ [Learn more](#)

ecovadis

EcoVadis

EcoVadis is one of the world's leading providers for corporate social responsibility (CSR) audits. 85'000 companies from 160 countries have been assessed already.

→ [Learn more](#)



Global Reporting Initiative

The GRI Standards are the most widely used standards for sustainability reporting worldwide.

→ [Learn more](#)

Compliance and Ethics

A fair and responsible partner

Datwyler aspires to have an industry-leading ESG/sustainability policy framework that is continuously evaluated and improved. Datwyler's first Code of Conduct—which is binding for all employees at all sites across the Group—was published in 2008. This code mandates that the companies and employees within the Group must respect the national laws, human rights, personal dignity, and privacy of each individual person.

Datwyler has zero tolerance for discrimination, humiliation, oppression, harassment, or insults. The Code of Conduct also articulates how to deal with business partners and competitors, strictly prohibiting any special treatment, bribery, or corruption. For example, clear rules are defined in the code for placing orders, awarding sponsorship money, and dealing with conflicts of interest. Datwyler has defined expectations of suppliers in a separate Supplier Code of Conduct



The ethically and socially exemplary conduct of the company's founder, Adolf Dätwyler (in the center), continues to shape the culture and style of the company thirty years after the family's withdrawal.

Compliance reporting process

The Dätwyler Group has a standardized compliance reporting process, available on the company's intranet. The management teams at individual subsidiaries are responsible for implementing the Code of Conduct and upholding various national laws and standards. At the start of the calendar year, the managers of all subsidiaries formally confirm with the Group Compliance Officer (currently the Group Chief Financial Officer) that all employees have been made aware of the principles defined in the Code of Conduct during an internal information event, which is conducted annually.

They also confirm that all new employees have received a copy of the Code of Conduct and understand its principles; that any violations of the Code of Conduct have been reported; that the processes and procedures for ensuring compliance with the Code of Conduct are regularly reviewed and adapted; that they are aware of the main risks for their area of responsibility regarding «compliance and fraud»; and that they monitor these risks via suitable processes and checks.

Based on the compliance reporting process, no complaints relating to anti-competitive conduct, or the forming of anti-competitive cartels or monopolies were filed against Dätwyler in 2021 and no significant fines or non-monetary penalties for infringements of legal provisions were imposed. The confirmation of compliance from subsidiaries is evaluated for accuracy by the internal audit department as part of its inspection work.

Zero tolerance objectives

Dätwyler's ethically sound business practices are supported by its zero tolerance objectives. The Group works proactively to prevent cases of corruption or justified legal action against Group companies. The Code of Conduct also forms an integral part of every person's employment contract, and every employee is expected to be familiar with its content and to report any circumstances that suggest a violation of the code. The points of contact for reporting are an employee's

Dätwyler had already been offering its global employees information sheets and a whistleblower hotline for reporting code violations for around 15 years. A formal whistleblower policy in line with the requirements of the EU whistleblowing directive as well as national requirements formalises the whistleblowing process. Details of the whistleblower hotline are displayed at all sites, and this function is reviewed on a regular basis during internal audits. Whistleblower reports are

direct line manager, the manager responsible, the personnel department responsible, or the Group Compliance Officer (currently the Group Chief Financial Officer).

forwarded directly to the internal audit department where each report is treated confidentially in accordance with the relevant data protection provisions and investigated conscientiously. Most reports do not stand up to detailed scrutiny or are resolved locally with the Group Compliance Officer acting as intermediary.

In addition, reports related to local leadership problems can often be solved through better processes or structures. In the reporting year, fourteen reports contained concrete information, although this did not necessarily indicate violations of the Code of Conduct.

As in the case of past reports, Datwyler used the findings of these incidents to improve and further develop its processes and guidelines. To help promote ethically sound collaboration, Datwyler also offers its suppliers an email address for code of conduct issues, which is also managed by the Group's internal audit department. No reports were made during the reporting year.

Diversity of the Board of Directors and Executive Management

A Diversity, Equity, and Inclusion (DEI) policy has been in effect since June 2021. In addition, a Diversity Council was established and charged with defining targets for DEI key performance indicators and overseeing the implementation of DEI measures.

[↑↓ Read more about employer of choice](#)



Datwyler Board of Directors, 2022.

Regarding female representation in leadership positions, Datwyler has set concrete goals in line with regulatory requirements of the Swiss government:

- 2025 goal: 30% female representation on the Board of Directors
- 2030 goal: 20% female representation in Executive Management

At end of 2021, female representation of the Board of Directors was at 12.5%. The executive management consists entirely of men.

The election of Judith van Walsum as a member of the Board of Directors increased the proportion of women to 25% as of March 16, 2022.

[\[document icon\] Read more about Datwyler's Annual General Meeting proposal](#)

Rising diversity in Datwyler's Board of Directors

Regarding female representation in leadership positions, Datwyler has set concrete goals in line with regulatory requirements of the Swiss government: By 2025 the Board of Directors should reach 30% female representation. To achieve this goal, Datwyler makes no compromises on the required competencies. However, if different candidates have comparable qualifications, the one who can contribute positively to the diversity of the board is preferred.

At the Annual General Meeting on 16 March 2022, Judith van Walsum was elected to the Board of Directors. Since 2018, Judith van Walsum has been Chief Financial Officer (CFO) and Head of IT at Roche Diabetes Care, a globally operating business division of Roche Group.

Currently, the Datwyler Board of Directors has a 25% female quota.

Read more about the current composition of Datwyler's Board of Directors and Executive Management.

Commitment

On the basis of the sustainability strategy, which was enhanced in 2021, the Board of Directors has decided to add a sustainability indicator to the variable incentive model. The new sustainability performance indicator determines 20% of the variable incentive and will be applied for members of the Executive Management and for all eligible employees from 2022 onward. The two previous performance indicators—net revenue growth and EBIT—will be taken into account at a rate of 40% each. The model for calculating the variable incentive is described under «variable incentive.»

The measurement parameters for the sustainability performance indicator are derived from the 12 focus topics of the enhanced sustainability strategy. They can be redefined by the Board of Directors annually. The Board of Directors has defined the following three measurement parameters for 2022:

- reduction of CO₂ emissions (scope 1 and 2) in relation to revenue (weighted at 50%)
- reduction in accident severity (25%)
- employee commitment (25%)

For all three parameters, there is a minimum threshold that has to be achieved in order to be taken into consideration and a maximum limit above which the contribution to target achievement no longer increases. By taking sustainability measurement parameters into account in the variable incentive for all eligible employees, Datwyler is promoting awareness of the sustainability focus areas.

 [Read more in the current remuneration report](#)

«Governance means being responsible.»



Walter Scherz
Chief Financial Officer (CFO)

3 Environmental

In parallel with the continuous reduction in relative resource and material consumption, Datwyler is striving for climate neutrality at its own sites by 2030 through applying the Science Based Targets approach.

- 3.1 Climate-neutral operations 2030
- 3.2 Eco-design
- 3.3 Resource-friendly production
- 3.4 Sustainable procurement



3.1 Climate-neutral operations 2030

Climate change poses a critical risk to society and the global economy. The leading scientific organisation IPCC sees evidence that climate change is «widespread, rapid, and intensifying». The Paris Agreement, which was concluded in December 2015 at the Paris Climate Conference, is the leading global climate protection agreement. The Science Based Targets Initiative (SBTi) guides companies to contribute to the agreement and to develop reduction plans for greenhouse gas emissions that limit global warming to 1.5°C. Through applying SBTi guidelines, Datwyler is seeking to contributing its fair share in reducing the risk of climate change.

«Datwyler has committed itself to minimize environmental impact, proactively seeking new and more sustainable technologies to achieve carbon-neutrality for its own activities. The purpose of our objective is to become a leading eco-friendly company, and to make life safer, better, and more sustainable.»



Nuno Viegas, Head of EHS



Datwyler has set a goal to achieve climate neutrality for its own operations (Scope 1 and 2) by 2030. Beginning with emissions of approximately 80'000 tons of CO₂eq in 2020, Datwyler is following the 1.5°C reduction path defined by the SBTi, which includes implementing measures to purchase renewable energy, increase energy efficiency, and invest in its own production of renewable energy.

These actions are intended to drastically reduce greenhouse gas emissions despite forecasted business growth. In addition, greenhouse gas emissions that can't be avoided will be offset from 2030 onward in order to achieve climate neutrality. Datwyler is also focused on quantifying the Scope 3 emissions, mainly related to buying materials from suppliers for production and to transportation by third parties.



Our long-term ambition

Climate neutral operations (scope 1+2) by 2030 through applying the Science Based Targets (SBT) approach.



Short-term key target

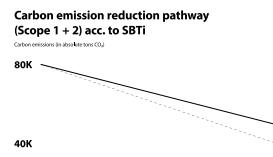
Reduce electricity by 3% and heating by 6% relative to sales.

OUR APPROACH

Ambitious commitment to climate target

Energy management at the production sites is part of the integrated Environmental Management System (EMS) and is part of the Datwyler Production System. A global Environment Health and Safety (EHS) Manager coordinates the energy management across all plants and is supported by a dedicated EHS officer at each individual plant.

Datwyler commits to a far-reaching climate target for its operations: climate-neutral operations by 2030. The SBTi offers a 1.5°C reduction pathway to calculate Datwyler's «fair share» in reducing carbon emissions in order to help achieve the 1.5°C level. The overall reduction pathway offers guidance for Datwyler on the reductions needed to reach this goal by 2030 and beyond.



Determining the specific investments needed to achieve greater energy efficiency is one focus of the implementation program. A detailed plan for implementation at the production sites is currently under development. Purchasing renewable energy will be a main contribution in implementation. Datwyler's electricity consumption is approximately 75% (2021) of its overall energy consumption. This is an advantage for Datwyler, as renewable electricity is rapidly becoming more affordable worldwide.

The main goal is to reduce greenhouse gas emissions as much as possible by 2030. The so-called non-avoidable emissions will be offset after 2030 in order to achieve climate neutrality for the company's operations. Datwyler is aware that the greenhouse gas emissions outside its operations—so-called Scope 3 emissions—exceed the greenhouse gas emissions of its own operations. In 2021, a project was launched to identify and quantify Scope 3 emissions, such as in the procurement of materials for production. Initiatives like applying eco-design in product development help to identify measures to reduce Scope 3 emissions in the future, such as by choosing low-carbon materials and reducing material consumption. Specific targets on Scope 3 emission reduction are not currently set but will be developed step by step.

2021 with 2.5% carbon emission reduction

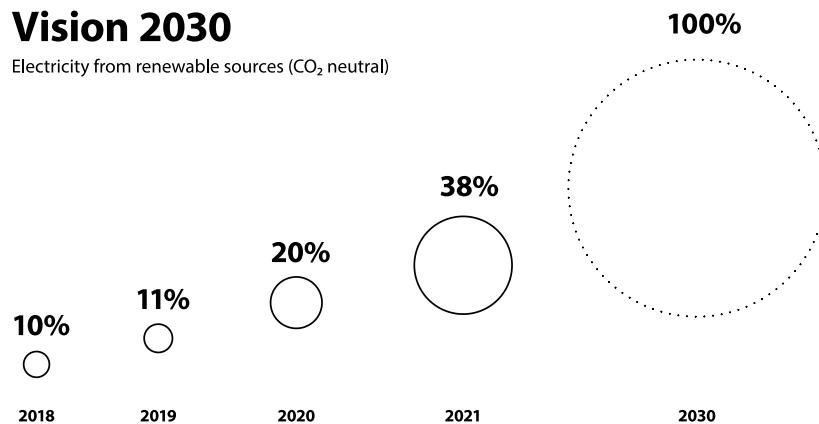
Datwyler has been recording the energy consumption and greenhouse gas emissions caused by its own operations for many years. The results of the last five years are shown in the accompanying table.

The five-year track record reveals an increase in energy consumption mainly resulting from business growth, new plants and acquisitions.

In 2021, Datwyler's operations were responsible for emissions of about 78,000 tons CO₂eq (scope 1 and 2)—a successful reduction in absolute CO₂ emissions by 2.5% compared to 2020. Thanks to the measures implemented to improve energy efficiency, relative CO₂ emissions have decreased by 14% compared to 2020. The plants in Schattdorf and Sao Leopoldo have been using renewable electricity since 2012 and 2016, respectively. In 2020, two plants, Alken and Vandalia, transitioned to renewable electricity. In 2021, four more—Pregnana, Montegaldella, Viadanica, and Karlsbad-Itterbach—switched to renewable electricity. End of 2021, 38% of Datwyler's total electricity consumption at all plants came from renewable energy sources.

Vision 2030

Electricity from renewable sources (CO₂ neutral)



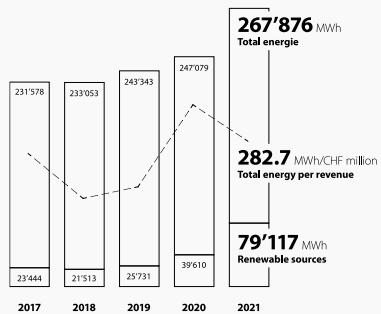
Energy consumption

	2017	2018	2019	2020	2021
Total energy (MWh)	231'578	233'053	243'343	247'079	267'876
└ of which renewable sources (MWh)	23'444	21'513	25'731	39'610	79'117
└ Proportion of renewable sources	10.1 %	9.2 %	10.6 %	16.0 %	29.5 %
Total energy per revenue (MWh/CHF millions)	278.1	261.5	265.8	296.2	282.7
 Heating fuels (MWh)	 39'152	 39'650	 42'272	 60'387	 64'001
Heating fuels per revenue (MWh/CHF millions)	47.0	44.5	46.2	72.4	67.5
 Energy generated externally (MWh)	 192'426	 193'403	 201'057	 186'692	 203'848
Of which electricity (MWh)	187'889	189'878	197'036	183'109	199'959
└ of which renewable sources (MWh)	19'372	18'474	22'182	36'162	75'375
└ Proportion of renewable sources	10.3 %	9.7 %	11.3 %	19.7 %	37.7 %
└ Electricity per revenue (MWh/CHF millions)	225.6	213.1	215.2	219.5	211.0
Of which district heating (MWh)	4'537	3'525	4'021	3'583	3'889

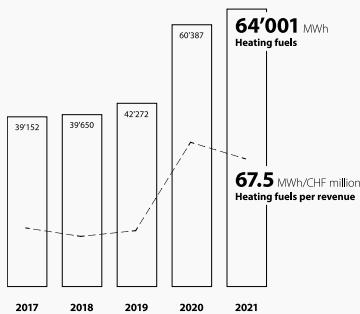
	2017	2018	2019	2020	2021
└ of which renewable sources (MWh)	4'072	3'039	3'535	3'448	3'715
└ Proportion of renewable sources	89.8 %	86.2 %	87.9 %	96.2 %	95.5 %
Revenue (CHF millions)	832.8	891.1	915.6	834.1	947.6

For the reporting of energy consumption, 23 production plants of the core business (Healthcare Solutions and Industrial Solutions business areas) are included in 2021. The online distributor Reichelt, which was held by Datwyler till 29 September 2021, is not included in either revenue or resource consumption in any year. Datwyler thus covers more than 99% of energy consumption at Group level. For newly acquired companies, energy consumption is included in the first full calendar year. Accordingly, the energy consumption of the acquired company Ott (Germany) was included for the first time in 2017 and the resource consumption of the acquired companies Parco (USA) and Bins (Brazil) for the first time in 2019, as well as Middletown (USA) in 2020. In addition to new additional plants and organic growth at existing plants, the inclusion of acquired companies explains the increase in absolute energy consumption.

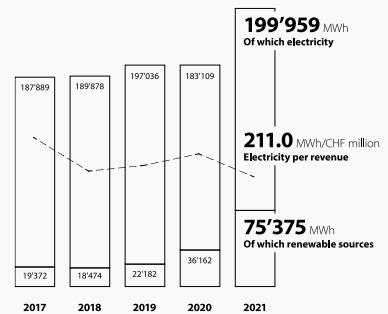
Energy consumption



Heating fuels



Electricity consumption

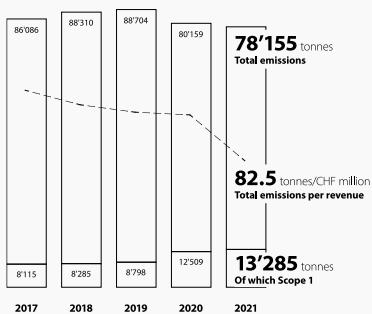


Greenhouse gas emissions CO₂

	2017	2018	2019	2020	2021
Total emissions (tonnes)	86'086	88'310	88'704	80'159	78'155
└ of which Scope 1 (tonnes)	8'115	8'285	8'798	12'509	13'285
└ of which Scope 2 (tonnes)	77'970	80'024	79'906	67'650	64'870
Total emissions per revenue (tonnes/CHF millions)	103.4	99.1	96.9	96.1	82.5
Revenue (CHF millions)	832.8	891.1	915.6	834.1	947.6

For the reporting of CO₂ emissions, 23 production plants of the core business (Healthcare Solutions and Industrial Solutions business areas) are included in 2021. The online distributor Reichelt, which was held by Datwyler till 29 September 2021, is not included in either revenue or resource consumption in any year. Datwyler thus covers more than 99% of CO₂ emissions at Group level. For newly acquired companies, resource consumption is included in the first full calendar year. Accordingly, the CO₂ emissions of the acquired company Ott (Germany) was included for the first time in 2017 and the CO₂ emissions of the acquired companies Parco (USA) and Bins (Brazil) for the first time in 2019, as well as Middletown (USA) in 2020. Despite these new additional plants and organic growth at existing plants, the total CO₂ emissions have decreased for the second consecutive year.

Greenhouse gas emissions CO₂



STORIES

Reduce dependence in energy sourcing

The Datwyler production plant Pune in Kesurdi, India, was dependent on electricity purchased from the state-owned electricity company. This electricity was primarily produced from fossil energy sources. To remedy this, Datwyler installed a rooftop solar power plant to create a more sustainable energy supply, decentralize electricity production, and increase viable energy options for the management in India. As the roof owner, Datwyler signed a contract with Thermax, a local solar power construction company, and purchases the electricity generated from Thermax's plant.

The solar plant was started up at the end of 2021. It is estimated to reduce carbon emissions by almost 1800 tonnes CO₂eq/year.



Datwyler Indian plant in Kesurdi.

E-Mobility

E-mobility brings climate protection to the people

Photovoltaic installations

Be your own energy supplier

Today, a comprehensively sustainable energy supply means not only climate-friendly, but also independent. The use of solar energy can help reduce not only emissions, but also dependency on energy suppliers. Thus, Datwyler is increasingly investing in photovoltaic systems at its sites.

Energy saving project in Czech Republik

Advanced energy management at the site in Nový Bydžov

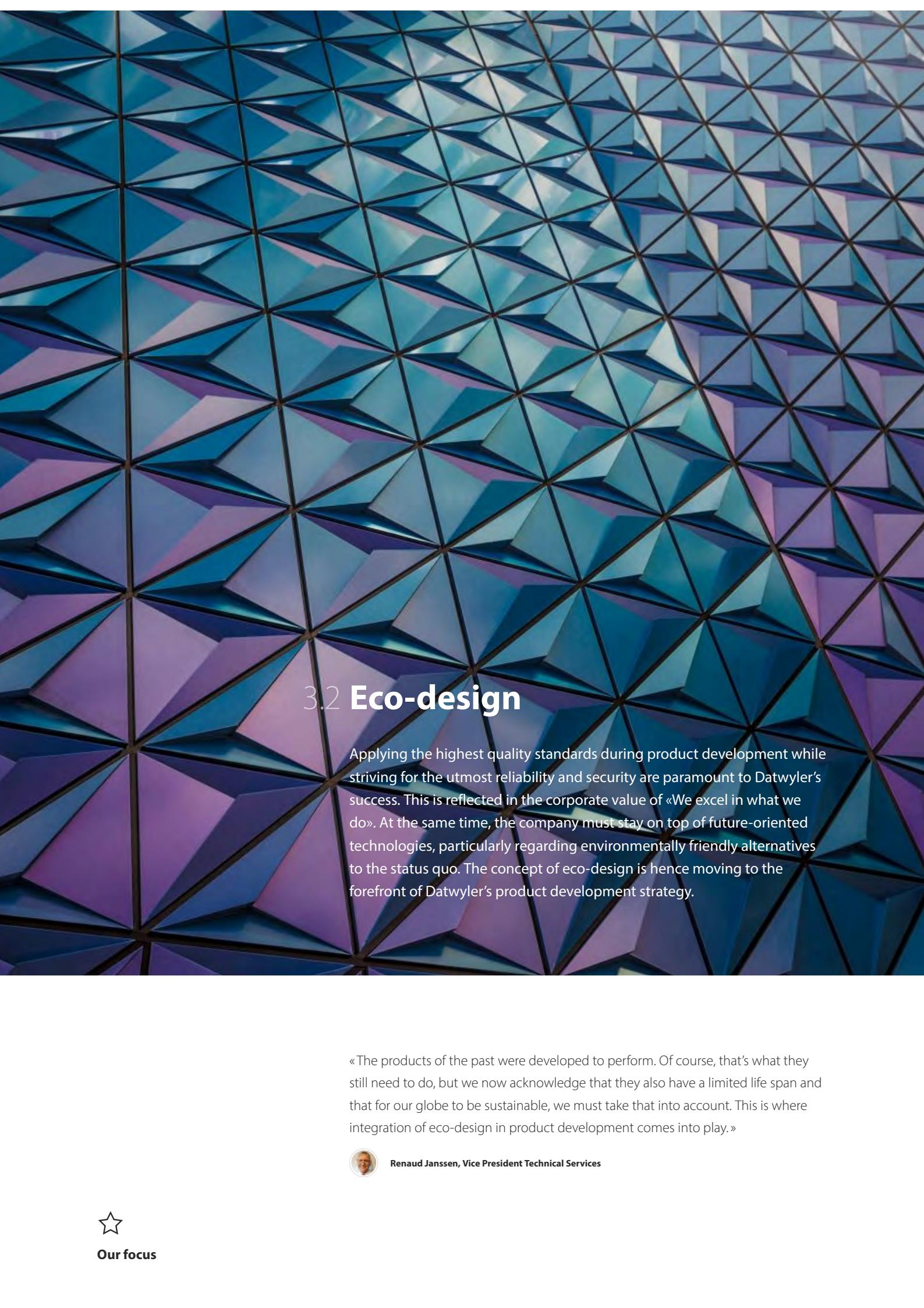
At the Datwyler plant in Nový Bydžov, there was potential for improvement in energy efficiency. Among other things, losses due to inefficiently set air conditioning, overheated warehouses, production halls, compressed air leaks, or unregulated operating fluid flows were discovered. A pilot project to increase energy efficiency was therefore carried out.

Logistics staff at Datwyler's Mexican site have identified that significant resources are spent on packaging. They have therefore proposed to re-use the cardboard boxes in which raw materials and rubber compounds are delivered by the Czech company. Their proposal is to change the packaging method and material for the delivery of membranes. In the past, these membranes were delivered in new, non-stackable, disposable cardboard boxes. From now on, the logistics department will use cartons that are stackable and reusable. This saves storage space and transport costs and makes it possible to significantly reduce the cost of wooden pallets and cardboard boxes.

The site in Kesurdi, India installed 2021 a solar panels system, which is expected to produce 2.1 GWh/year, reducing its CO₂ emissions by 1'786 tons and resulting in a reduction of 11% of purchased electricity from the public grid. And there are several installations planned for 2022: Montegaldella, Pregnana, and Viadanica, all in Italy, Schattdorf in Switzerland, Karlsbad in Germany, and Ontario in the USA.

The pilot project took place in a selected area of the site, where measures, like the replacement of pneumatic components or the reduction of room temperature—developed from a previous audit—were implemented, monitored, and modified during 2021.

The proposed measures for the pilot project not only led to significant energy savings, but also to annual net savings of around CHF 25,000 (CZK 582'000). This positive balance has prompted the management to introduce a measuring system throughout the operation in order to identify further energy saving potential. With one-off investments of around CHF 120,000, annual savings in the energy sector in the order of CHF 170,000 are to be generated in the future. The measures planned for 2022 revolve around topics such as optimal air pressure regulation or energy-saving lighting using LEDs.



3.2 Eco-design

Applying the highest quality standards during product development while striving for the utmost reliability and security are paramount to Datwyler's success. This is reflected in the corporate value of «We excel in what we do». At the same time, the company must stay on top of future-oriented technologies, particularly regarding environmentally friendly alternatives to the status quo. The concept of eco-design is hence moving to the forefront of Datwyler's product development strategy.

«The products of the past were developed to perform. Of course, that's what they still need to do, but we now acknowledge that they also have a limited life span and that for our globe to be sustainable, we must take that into account. This is where integration of eco-design in product development comes into play.»



Renaud Janssen, Vice President Technical Services



Our focus

Datwyler's quality management is based on internationally recognized quality and safety assurance systems, proactive chemical compliance, and innovative collaborations with higher education institutions, international standardisation committees, and independent testing bodies.

The company believes that the concept of eco-design must be part of a holistic approach to quality product development that considers environmental, social, and economic benefits throughout the life cycle of products.



Our long-term ambition

Eco-design is integrated in all new product developments.



Future key target

All new products developments include eco-design checks by 2023.

OUR APPROACH

Datwyler continuously invests in even better materials, process technologies, production equipment, and testing methods.

Quality assurance through standardized processes

Datwyler's corporate processes are based on its production system and internationally recognised quality assurance systems. For example, plants making products for the automotive industry are certified in accordance with ISO/TS 16949, while healthcare plants (with the exception of the US plant in Pennsauken) have ISO 15378 certification. State-of-the-art clean room technologies paired with automatic camera inspections, among other systems, ensure impeccable quality for Datwyler's over 300 billion manufactured components. In addition, the impacts of its products on user health and safety are closely examined. Line functions involved in procurement and production are supported by a global quality assurance function and by a local team for each plant.

Statutory information obligations as minimum standards

Almost all Datwyler Group products are subject to statutory information obligations in the countries of use, in addition to a variety of chemical law requirements and additional industry and customer-specific rules at its production locations. Chemical legislation and EU REACH regulations regarding the physical composition of products are particularly relevant. REACH (EU Regulation 1907/2006) governs the registration, assessment, and approval of chemical substances within the European Union. In 2021 Datwyler succeeded in the substitution of a raw material with a PFOA-free alternative in a compound for Healthcare products, a full substitution of carcinogenic mineral oil softeners and a complete ban of phthalates. In its attempt to proactively replace SoC (Substances of Concern). Datwyler is further engaging in substituting nitrosamine generating chemicals which are not yet under scrutiny.

A vision of integrated product development

To drive innovation and stay abreast of the latest technology trends, Datwyler also works with higher education institutions, international standardisation committees, and independent testing bodies. A good example of this is the LeiMot (light engine) research project in which Datwyler is working with leaders in the mobility industry—including Volkswagen, the German Federal Ministry of Economic Affairs and Energy, RWTH Aachen, Fraunhofer Gesellschaft, and FEV—to reduce the weight of an existing, latest generation internal combustion engine by 25%. As a second example, Datwyler developed a thermally conductive rubber for lightweight applications that performed acceptably with approximately 50% of the density of its metal counterparts.

With its Start-up Accelerator Programme, Datwyler is reaching out to innovative start-up companies with technologies that challenge the status quo and offer interesting new perspectives. The company's most exciting future-oriented technologies currently include additive manufacturing, printed and integrated electronic components, and electroactive polymers.

Integration of eco-design in development and production

Eco-design principles offer a critical perspective when developing products that reduce the environmental impact across all its life cycle stages. Datwyler's successful approach to eco-design optimizes the environmental performance of its products while also maintaining their functional qualities. This includes developing environmentally friendly elastomer compounds, optimizing design to save on materials, reducing process-related waste, and using reusable or recyclable packaging and boxes. But eco-design is more than simply reducing the environmental footprint of a product: this holistic approach helps developers think through social benefits and reconsider economic factors at the same time.

Recently, Datwyler launched an action plan that will guide the company through the next few years of integrating eco-design systematically across product development and across all life cycle stages of a product. Right from the start, Datwyler launched an «Idea Box» for employees where ideas and initiatives to minimize ecological impacts are collected and analyzed by the development teams. The eco-design initiative is supported by external specialists and includes comprehensive eco-design trainings for different product development teams. A «train the trainer» approach aims at multiplication of the gained know-how across the organisation. Another new core element are «eco-design check-boxes» for product development in different product categories. The first application is planned for Mobility, however roll-out will also be made to the Healthcare business unit, and to other Business Units, so that eco-design will be systematically integrated in new products development by 2023. Product Carbon Footprint (PCF) calculations and Life Cycle Assessments (LCA) for typical products in both Mobility and Healthcare are also part of this initiative.

STORIES

Nespresso

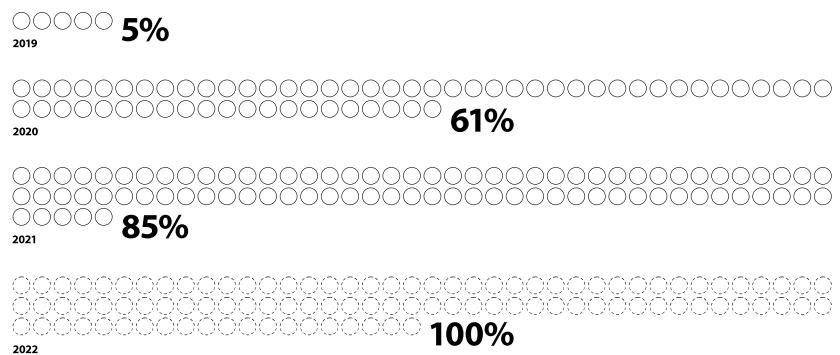
Focus on circular materials

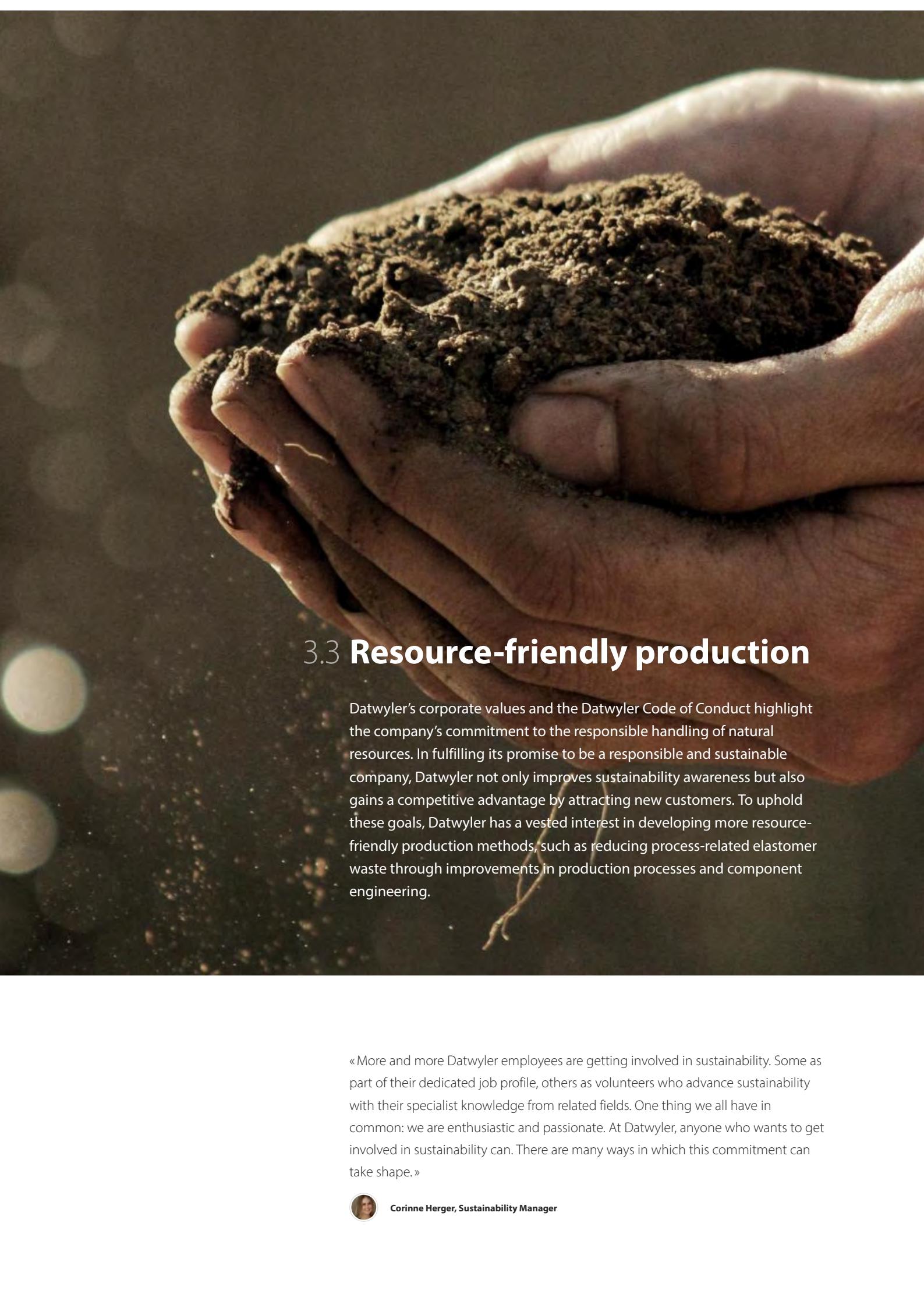
Datwyler maintains a long-term strategic partnership with Nespresso. The multi-year contract through 2030 covers capsule and seal production for portioned coffee product lines and anticipates continuous volume and revenue growth. By the end of 2022, Nespresso and Datwyler will have switched to certified recycled material for more than 6'000 tonnes of aluminum (recycled content at least 90%) per year. With Datwyler's investments and adaptions in its production processes, the company increased the use of recycled aluminium in Nespresso's coffee capsules, supporting Nespresso's commitment to make every cup of coffee carbon neutral by 2022.



This partnership with Nespresso is a good example of how Datwyler can bring its core competencies in solution design, materials expertise, and operational excellence to the world's leading companies in various industries to create value and promote sustainability. In this way, Datwyler supports its customers as a development partner from the design study through the prototype phase to the global production of billions of parts with a zero-defect philosophy throughout the entire product life cycle.

Share of recycled aluminum





3.3 Resource-friendly production

Datwyler's corporate values and the Datwyler Code of Conduct highlight the company's commitment to the responsible handling of natural resources. In fulfilling its promise to be a responsible and sustainable company, Datwyler not only improves sustainability awareness but also gains a competitive advantage by attracting new customers. To uphold these goals, Datwyler has a vested interest in developing more resource-friendly production methods, such as reducing process-related elastomer waste through improvements in production processes and component engineering.

«More and more Datwyler employees are getting involved in sustainability. Some as part of their dedicated job profile, others as volunteers who advance sustainability with their specialist knowledge from related fields. One thing we all have in common: we are enthusiastic and passionate. At Datwyler, anyone who wants to get involved in sustainability can. There are many ways in which this commitment can take shape.»



Corinne Herger, Sustainability Manager



Our focus

Resource consumption in production is one of Datwyler's focus topics, as it is a primary lever for reducing its environmental impact.

To achieve this, Datwyler's priority is the gradual reduction of waste and water consumption, in addition to improved energy efficiency and increased use of renewable energies. Energy- and emission-related activities are reported here.



Our long-term ambition

Waste-free and highly water- and energy-efficient production.



Future key targets

- Reduce waste volume relative to tons of products produced by 3% per year
- Reduce water consumption relative to tons of products produced by 3% per year
- Reduce electricity consumption relative to tons of products produced by 3% per year
- Reduce fuel consumption relative to tons of products produced by 6% per year

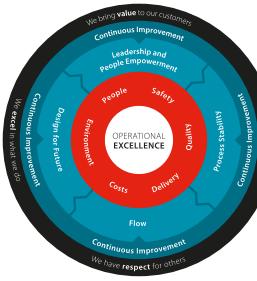


Responsible use of natural resources is an important principle for Datwyler as a manufacturing company.

OUR APPROACH

Datwyler Production System (DPS)

The Datwyler Production System, which is based on the company values and lean principles that guide Datwyler employees, is a long-term improvement program to foster a lean and agile culture and achieve operational excellence. As a shared program for continuous improvement, this system supports uniform production processes across all plants on all continents. For Datwyler, the quest for operational excellence means not only a safe workplace, high-quality products, on-time deliveries, and satisfied and empowered employees, but waste-free processes and environmental protection as well. This makes reducing the consumption of resources and protecting the environment an integral dimension in the pursuit of operational excellence.



Environmental Management System (EMS)

Within the Datwyler Production System, a certified and integrated Environmental Management System (EMS) provides the basis for optimizing resource use. The Datwyler EMS aims to minimise the impact of the company's operations and products on the environment by designing and manufacturing products and processes that use natural resources sustainably and reduce the company's carbon footprint. A global Environment Health and Safety (EHS) Manager coordinates the environmental management across all plants and is supported by a dedicated EHS officer at each individual plant. In addition, the impact on resource use is also considered when the Group embarks on maintenance or modernisation of its worldwide production plants. In the reporting year, investments in property, plant, and equipment amounted to CHF 110.9 million (2020: CHF 90.8 million / 2019: CHF 104.6 million).

As a result of the EMS, fourteen of Datwyler's plants have already achieved environmental certification in accordance with the ISO 14001 standard and other sites are laying the groundwork to achieve this certification. The Swiss plant is also a member of the Energy Agency of the Swiss Private Sector (EnAW).

Water consumption

Most of Datwyler's total water consumption is attributable to the specific requirements of its production processes. Both the cooling systems used in the Food & Beverage division's production and the washing of components in the healthcare sector require significant amounts of water. Specifically, more than 40% of Group-wide water consumption occurs at the Swiss plant.

The long-term target (2015 to 2025) to reduce relative water consumption per revenue unit by 3% each year is based on this general condition. Over the last six years, this target has been exceeded on average, although in 2021, an absolute water saving of only 2.5% was achieved compared to 2020. This was due to extraordinarily low water consumption in the previous year because of pandemic-related production restrictions, the sale of the profile business, and significant investments in new treatment plants. Against this backdrop, 2021 is in line with Datwyler's long-term water reduction targets. Absolute water consumption was reduced by more than a fourth between 2016 and 2021—from 2.1 million m³ to 1.5 million m³.

Even more informative than absolute water consumption is water consumption in relation to revenue—the best approximation of the development of production output. This observation shows the development of efficiency in water use. The reduction of 14% compared to the previous year shows that Datwyler continues to make progress in this area.

Fuel consumption

Datwyler will also strive to reduce its fuel consumption and electricity consumption relative to tons of product produced by 6% and 3% a year, respectively, by 2025. (For further information on the reduction of Datwyler's fuel and electricity consumption, please refer to Climate-neutral operations 2030.)

Waste disposal

The EMS system also supported Datwyler in setting a goal to reduce the volume of waste in relation to revenue (tons/CHF million) by 3% annually from 2016 to 2020. This goal could not be reached yet and requires increased attention in the future. But Datwyler has succeeded to increase the amount of elastomer waste used in downcycled products steadily over the past five years. For example, the company's process-related elastomer waste is increasingly used in the production of surface coverings for sports fields. With this application, Datwyler increased the amount of reused waste from 68.3% in 2017 to 74.1% in 2021. Datwyler is also reducing packaging material in the procurement of its raw materials—about one-third of raw materials are now delivered using pallets and delivery boxes that are collected by the supplier for reuse. Non-reusable packaging material made of wood, cardboard, or plastic is recycled by waste management companies. In addition, Datwyler operates two recycling centers in Switzerland, called ReCenters, that help businesses and private customers dispose of different plastics. In 2021, the absolute volume of waste has increased by 22% from 14'119 in 2020 to 17'205 tons in 2021. Due to the pandemic-related decline in revenue, the relative sales volume per unit of revenue increased by about 8%, contrary to the multi-year reduction trend.

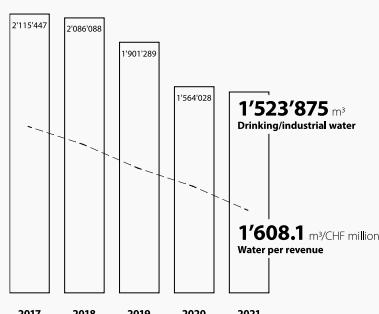
In the area of waste reduction, Datwyler also reinstated their ambitious 7% target (in relation to tons of products produced) annually till 2025, showing its vested interest in achieving ongoing reductions in process-related waste.

Water consumption

	2017	2018	2019	2020	2021
Drinking/industrial water (m³)	2'115'447	2'086'088	1'901'289	1'564'028	1'523'875
Water per revenue (m ³ /CHF millions)	2'540.2	2'341.0	2'076.5	1'875.1	1'608.1
Revenue (CHF millions)	832.8	891.1	915.6	834.1	947.6

For the reporting of water consumption, 23 production plants of the core business (Healthcare Solutions and Industrial Solutions business areas) are included in 2021. The online distributor Reichelt, which was held by Datwyler till 29 September 2021, is not included in either revenue or resource consumption in any year. Datwyler thus covers more than 99% of water consumption at Group level. For newly acquired companies, resource consumption is included in the first full calendar year. Accordingly, the resource consumption of the acquired company Ott (Germany) was included for the first time in 2017 and the resource consumption of the acquired companies Parco (USA) and Bins (Brazil) for the first time in 2019, as well as Middletown (USA) in 2020. Despite the inclusion of the acquired companies, as well as additional new plants and organic growth in existing plants, Datwyler succeeded in significantly reducing absolute water consumption.

Water consumption

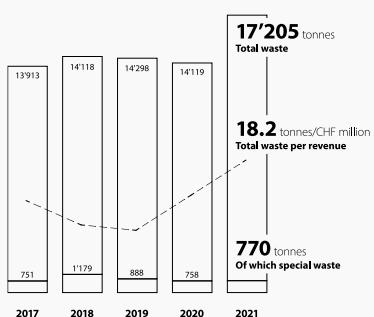


Waste

	2017	2018	2019	2020	2021
Total waste (tonnes)	13'913	14'118	14'298	14'119	17'205
└ of which regular waste (tonnes)	13'162	12'939	13'410	13'361	16'435
└ of which special waste (tonnes)	751	1'179	888	758	770
Proportion of waste sent for recycling	68.3 %	69.7 %	72.1 %	72.6 %	74.1 %
Total waste per revenue (tonnes/CHF millions)	16.7	15.8	15.6	16.9	18.2
Revenue (CHF millions)	832.8	891.1	915.6	834.1	947.6

For the reporting of waste volume, 23 production plants of the core business (Healthcare Solutions and Industrial Solutions business areas) are included in 2021. The online distributor Reichelt, which was held by Datwyler till 29 September 2021, is not included in either revenue or resource consumption in any year. Datwyler thus covers more than 97% of waste at Group level. For newly acquired companies, waste volume is included in the first full calendar year. Accordingly, the waste volume of the acquired company Ott (Germany) was included for the first time in 2017 and the waste volume of the acquired companies Parco (USA) and Bins (Brazil) for the first time in 2019, as well as Middletown (USA) in 2020. In addition to new additional plants and organic growth at existing plants, the inclusion of acquired companies explains the increase in absolute waste.

Waste



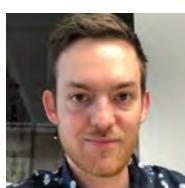
INTERVIEW

Interview of sustainability volunteers

Corinne Herger, sustainability manager in Schattdorf, Switzerland, and Hans Schepers, process & validation engineer in Alken, Belgium, are sustainability volunteers. They explain how they are committed to sustainability at Datwyler and what their responsibilities are.



Corinne Herger



Hans Schepers

What is your function at Datwyler?

“ CORINNE HERGER:

I am Sustainability Manager at Datwyler's Swiss site in Schattdorf. I have been doing this for around a year now.

“ HANS SCHEPERS:

I have been working at Datwyler for about three years. I am a process & validation engineer located in our Healthcare plant in Alken, Belgium. I'm not a direct member of Datwyler's

How did you get involved as sustainability volunteers?

“ CORINNE HERGER:

I initially joined Datwyler as a trainee and then I worked part-time in the HR department for several years during my studies. When the enhanced sustainability strategy was announced last year, I realised that I would really like to deal with this topic more and in greater depth. And I thought to myself: if not now, when? So, I held talks with various people involved—my HR manager, the Site Director and of course the Head of Sustainability. And together we created a sustainability job that was almost tailor-made for me. On the one hand, I now look after all sustainability issues at the Schattdorf site, and on the other hand, I support the Head of Sustainability in cross-site projects.

“ HANS SCHEPERS:

Of course, I have also noticed the intensive discussions about Datwyler's commitment to sustainability. And my job also has many points of connection with sustainability. The optimisation of processes often leads to savings of resources of some kind, to fewer disruptions and more safety—to name just a few examples. It was therefore obvious for me to do more of my work with sustainability in mind. And as the Head of Sustainability was actively looking for volunteers from Operations, I stepped forward. Since then, I have invested part of my working time in selected sustainability projects. I also see myself as a sustainability ambassador who subliminally introduces sustainability considerations into everyday life here at the site where it makes sense.

What sustainability projects did you work on in 2021?

“ HANS SCHEPERS:

I supported the sustainability team in setting up an online ideation channel. All employees can use it to enter their ideas for sustainability. These ideas are then analysed by the sustainability team. Of course, the ratio of effort to return—in a comprehensive sense—is a particularly important criterion. The channel has been live since March 2022. Since then, almost 20 ideas have been received, which is a great success.

“ CORINNE HERGER:

In my role, of course, I worked on various issues during the year. I was certainly able to make a useful contribution to our procurement team. There, I took over the ESG information collection, which was the basis of a comprehensive supplier analysis. I also regularly support the Group communications team. A particular focus for me is internal communication that is appropriate for the target group, to engage our people around the world and across all areas in sustainability.

And what will you be working on in the current year?

“ HANS SCHEPERS:

It is important that the ideation channel is promoted and established. We are therefore currently working on a campaign. I hope that we will soon be able to tell great success stories with ideas from the ideation channel. It is important that employees—just like Corinne and me—are passionate about sustainability and want to get involved.

STORIES

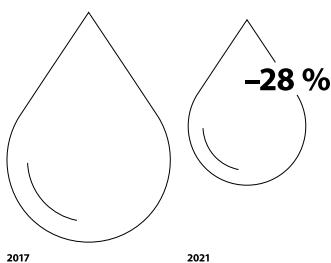
Multiple water use

In order to produce pharmaceutical packaging components with the highest quality standards, Datwyler has to fulfill stringent water quality standards. As there are indications that water consumption could even further increase due to stricter customer requirements, Datwyler has been making efforts to limit its impact on water resources by smart water usage.

Datwyler's future-oriented water policy comprises the switch to more water-efficient processes, for example the internal reuse of water and the collection and buffering of rainwater. This enables Datwyler to reduce fresh water consumption and cut waste water costs.

Water consumption

Significant reduction of water consumption within the last 5 years.



Recycling rate

A new all-time high was achieved.

74.1 %

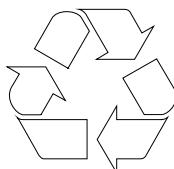
2021

2020
2019

2018

68.3 %

2017



Smart packaging saves costs and protects the environment

Logistics staff at Datwyler's Mexican site have identified that significant resources are spent on packaging. They have therefore proposed to reuse the cardboard boxes in which raw materials and rubber compounds are delivered by the Czech company.



Zero waste to Brazilian landfills

40% of waste in Brazil is still disposed of in landfills or unregulated dumps, although this has not been allowed since 2014. Nevertheless, there are positive developments. For example, the largest rubbish dump in Latin America, near the capital Brasília, was closed and replaced by

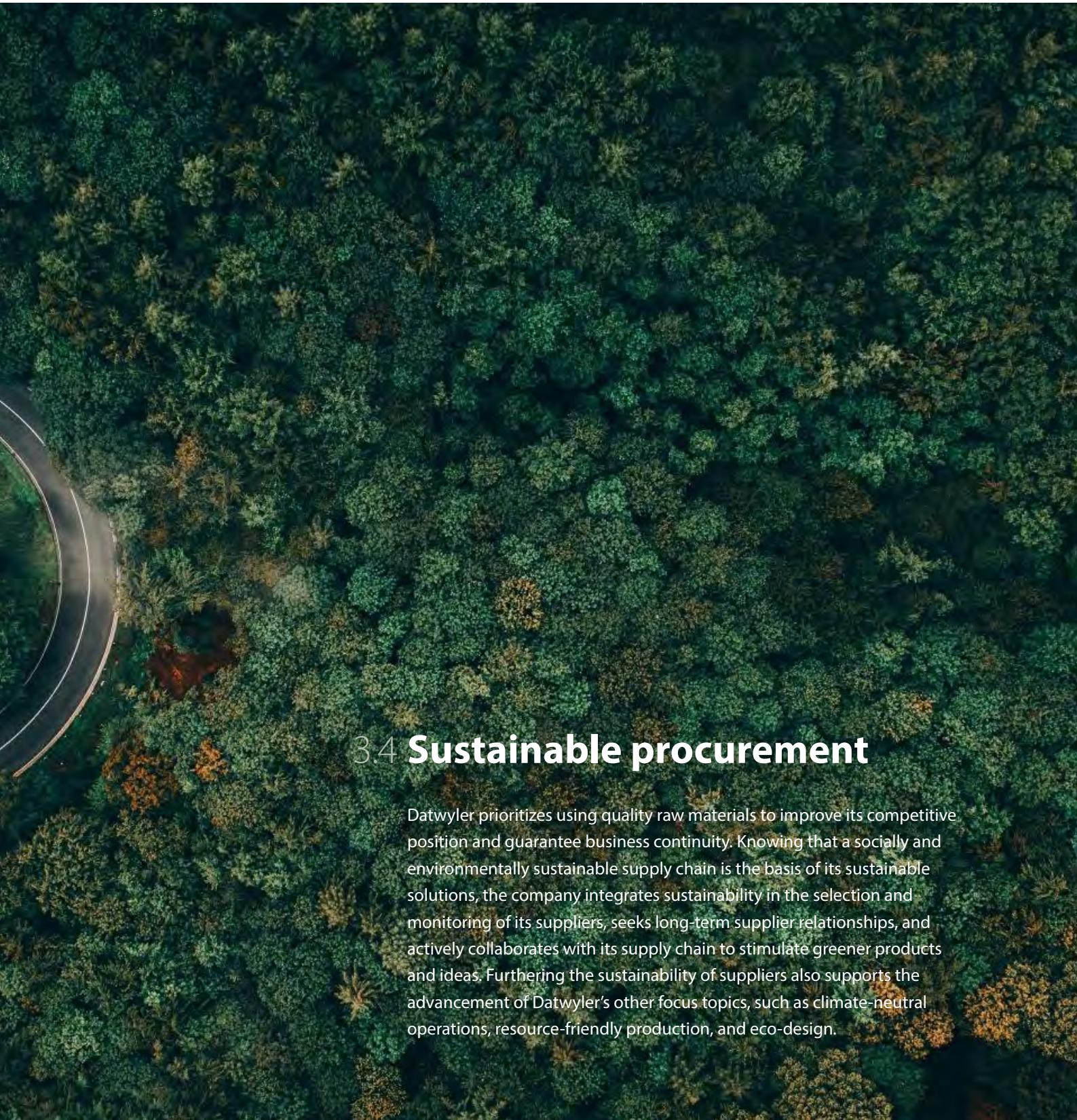
Datwyler's site in São Leopoldo, had a target to reduce waste sent to landfill by 80% by 2021. Thanks to great personal commitment and partnerships, this goal was surpassed. In 2021, no more waste was disposed of in landfills, and instead, more than 100 ton of waste per year will be sent

a modern landfill and sorting plant. This has significantly improved the possibilities for more environmentally friendly waste disposal.

to licensed companies for blending, co-processing, composting, and recycling.

This result was achieved with various measures:

- Elimination of plastic cups
- Reduction of non-recyclable waste
- Partnerships for co-processing



3.4 Sustainable procurement

Datwyler prioritizes using quality raw materials to improve its competitive position and guarantee business continuity. Knowing that a socially and environmentally sustainable supply chain is the basis of its sustainable solutions, the company integrates sustainability in the selection and monitoring of its suppliers, seeks long-term supplier relationships, and actively collaborates with its supply chain to stimulate greener products and ideas. Furthering the sustainability of suppliers also supports the advancement of Datwyler's other focus topics, such as climate-neutral operations, resource-friendly production, and eco-design.

«Through sustainable procurement, we bring innovative and greener materials into Datwyler that offer added value to our customers. Sustainable and local-for-local sourcing is also an opportunity to reduce costs and mitigate supply risks.»



Marc Philippeth, Vice President Procurement



Our focus

The purpose of Datwyler's procurement function is to bring innovative and sustainable solutions into the company, while maintaining focus on cost optimisation, availability of raw materials, proactive risk management, and compliance. Datwyler continually works to reduce packaging material and source the most environmentally friendly raw materials possible.

A binding Code of Conduct for suppliers and guidelines for sustainable procurement form the basis for ethical and environmentally friendly supply chains. In addition, by systematically embedding ESG criteria into its procurement processes, Datwyler strives to continuously increase the sustainability level of the company's suppliers. Datwyler's procurement activities focus primarily on suppliers of quality-critical raw materials and products as well as on particularly important suppliers.



Our long-term ambition

ESG-compliant processes and supply chain and sustainability solutions through suppliers.



Future key targets

- Code of Conduct signed by all suppliers
- Engage three suppliers each year to further conversations on sustainable solutions
- Ensure availability of the most important raw materials through pro-active risk management. This includes, among others local-for-local and whenever possible dual sourcing of materials
- In sourcing, identify five product replacements with better sustainability performance annually by 2030

OUR APPROACH

Global standardized guidelines and supplier management processes

Datwyler produces system-critical components that mainly consist of elastomer. Hence, the company primarily buys raw materials such as elastomer materials, plastics, aluminum, metals, and operating materials (some 50,000 tonnes per year). To procure these raw materials, the company works with approximately 400 suppliers worldwide, with about one-third of the purchasing volume sourced from the ten largest global suppliers. Approximately 70% of raw materials come from Europe, while 20% and 10% come from Asia and the USA respectively. Overall, 1'800 or so suppliers and service providers invoice Datwyler for more than CHF 10'000 a year. Datwyler's Global Procurement Team takes pride in its versatility and various fields of expertise. It provides local procurement teams at each plant with global standardized guidelines and supplier management processes. The broad and proven supplier base and expertise in Datwyler's procurement teams proved their worth last year, when resources became even scarcer and other challenges in global supply chains led to production constraints for many companies. Despite the additional efforts in procurement, Datwyler continued to drive forward the further development of the sustainability level of its suppliers, which was launched in 2020:

- Integrating ESG into supplier selection and monitoring practices
- Conducting supplier trainings on ESG issues

- Encouraging suppliers to suggest more sustainable products and share ideas

Embedding ESG to improve supply chain sustainability

Selection

Datwyler's standard Code of Conduct for suppliers forms the basis for its ethical and environmentally friendly supply chains. One of Datwyler's goals is to have all suppliers sign the Code or present equivalent internal guidelines, and a 2021 analysis revealed that 97% of the relevant suppliers (previous year: 80%) were already meeting this requirement. In addition, suppliers must be in compliance with certain ISO norms.

Monitoring and development

In 2020, Datwyler developed its own Supplier Sustainability Assessment program, which is used to monitor the ESG performance of its main suppliers that represent 80% of spend. The program awards points for:

- signing Datwyler's Supplier Code of Conduct
- sustainability certificates (ISO 14001, ISO 45001, ISO 50001)
- quality sustainability reporting (toward GRI, disclosing of energy and water footprints)
- a supplier code of conduct
- a defined position responsible for sustainability

A first assessment revealed that suppliers scored 67% of available points in 2021 (previous year: 60%).

Auditing

Due to the pandemic, on-site audits had to be postponed. Some were replaced with remote audits.

Complaint management

The company monitors environmental and safety compliance issues that are submitted by suppliers via a dedicated email address.

Training procurement teams

To ensure that the new guidelines are met, Datwyler provides regular trainings for its purchasers. In 2021 refresher trainings for the purchasing employees were conducted to increase awareness.

Facilitating sustainable solutions through supply chain engagement

Sharing ideas

Datwyler began organizing workshops and meetings with suppliers that provide a platform for exchanging sustainability ideas. Datwyler aims to engage three suppliers each year for these conversations (GRI 102-43, GRI 102-44).

Encouraging more sustainable product offerings

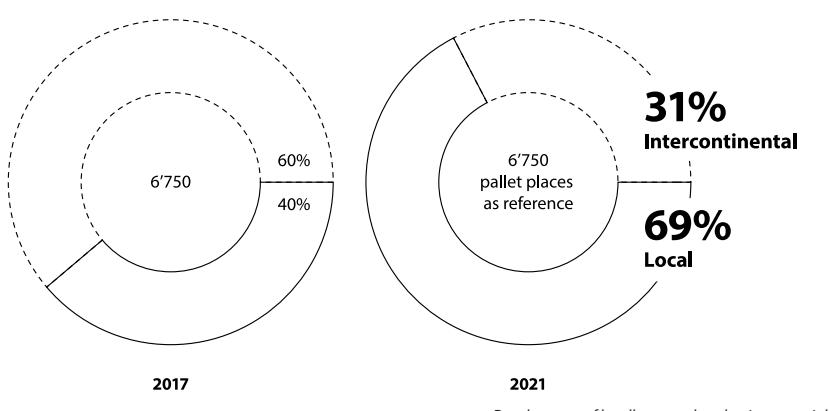
The company also began encouraging suppliers to propose more sustainable materials to replace existing products completely or to be used in new developments. Several suggestions have been received already, and the goal is to identify five product replacements annually by 2030.

Reducing product and service footprints

Datwyler has set a goal to collaborate with suppliers on at least one project a year that targets the reduction of the carbon footprint of a product or service. Some suppliers have already evaluated the footprint of their products and services, and the company would like to have at least one active project per year from 2021 onward. As a test case, Datwyler is working with the main road transport company for the Belgian plant to reduce the CO₂ emissions per kg of product transported to the customer.

Promoting local sourcing

To support its eco-design strategic priority, Datwyler aims to increase its share of locally sourced materials. After identifying the number of existing local suppliers, packaging materials was selected as a first focus and local sourcing targets were developed. This strategy will also reduce the company's supply chain continuity risks.



Development of locally sourced packaging material

Proactive reduction of packaging material

Datwyler takes action at various levels to reduce the environmental impact of raw material procurement. Whenever practical and possible, the company has raw materials delivered in large volumes by dry-bulk tankers, which cuts down on packaging materials significantly. About a third of raw materials are delivered in boxes on pallets, which suppliers reclaim and reuse. Non-reusable pallets and boxes comprised of wood, cardboard, or plastic are recycled via disposal companies.

Striving for environmentally friendly materials

Datwyler is constantly looking for the most environmentally friendly raw materials possible. To this end, the procurement department works with research and development to implement the findings of proactive chemical compliance management. Natural rubber, for instance, has been reduced to less than 1% of purchased elastomer raw materials, thereby helping to preserve rainforest in Southeast Asia and Central and South America. Recognizing that synthetically produced rubber derived from crude oil has a considerable carbon footprint, Datwyler is currently exploring the option of a synthetic rubber based on monomers derived from plants. In the Food & Beverage business unit, Datwyler, as an innovative partner, is supporting Nespresso to move toward sustainable and traceable aluminium in the spirit of the circular economy.

↑↓ [Read more about the strategic partnership with Nespresso](#)

55'000 tons
total raw materials

38'000 tons
ingredients

to manufacture rubber compounds

5'000 tons
rubber compounds

purchased from third parties

8'500 tons
aluminum

400 suppliers
for raw materials

260 million
total raw material
expenses (CHF)

70 %
of the raw material
come from Europe

STORIES

Project to save fuel in transportation

Every kilometre counts

CO₂ neutral electricity
procurement

For the transport of products to customers, Datwyler collaborates with specialised companies. This means that the environmental impact of these transports cannot be directly controlled to Datwyler. Nevertheless, the company wants to influence this part of its value chain as well. Datwyler in Belgium has therefore launched an emissions reduction project in collaboration with a local transport company that delivers the final products by Datwyler's customers.

The company is installing an updated software to better monitor customer-related detailed reductions of gasoline consumption based on the implemented improvement activities, like reduction of empty spaces in trailers by improving the route planning or driver trainings. With this software, the company can more effectively track CO₂ emissions per delivery.

The first lessons-learned from this project have been rolled out to other transport companies that work for Datwyler.

Datwyler consumes around 180'000 megawatt-hours (MWh) of electricity per year. In 2020 20% came from renewable sources.

At the beginning of 2021, Datwyler transitioned the plants in Italy—Pregnana, Montegaldella and Viadanica—and Karlsbad-Itterbach (GER) to renewable electricity.

From 2021 on, Datwyler covers some 40% of its total electricity consumption at all plants with renewable energy sources.

 [Read more about CO₂-neutral electricity procurement](#)

«Saving energy and using energy that comes from renewable sources are our biggest levers.»



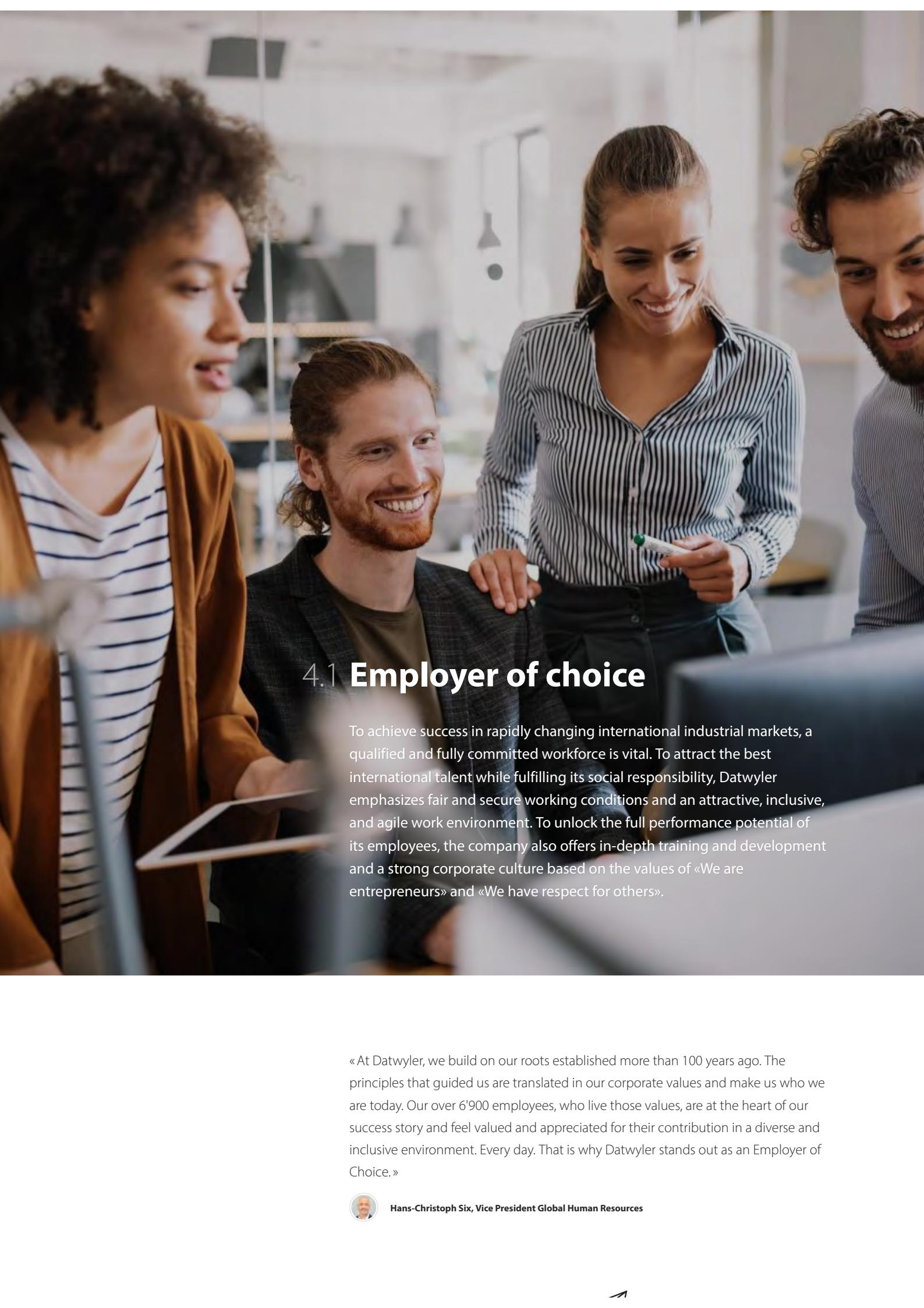
Frank Schön
Chief Technology Officer (CTO)

 [Watch the video](#)

4 Social

By focusing on social activities, Datwyler aims to deliver more value and meaningful purpose to its customers, employees, and communities.

- 4.1 Employer of choice
- 4.2 Value-driven engagement with customers
- 4.3 Safe and healthy workforce
- 4.4 Engagement for sustainability



4.1 Employer of choice

To achieve success in rapidly changing international industrial markets, a qualified and fully committed workforce is vital. To attract the best international talent while fulfilling its social responsibility, Datwyler emphasizes fair and secure working conditions and an attractive, inclusive, and agile work environment. To unlock the full performance potential of its employees, the company also offers in-depth training and development and a strong corporate culture based on the values of «We are entrepreneurs» and «We have respect for others».

«At Datwyler, we build on our roots established more than 100 years ago. The principles that guided us are translated in our corporate values and make us who we are today. Our over 6'900 employees, who live those values, are at the heart of our success story and feel valued and appreciated for their contribution in a diverse and inclusive environment. Every day. That is why Datwyler stands out as an Employer of Choice.»



Hans-Christoph Six, Vice President Global Human Resources



Our focus

Ultimately, Datwyler wants to empower talents to create value for customers, the company, themselves, their local communities, and the entire planet. The company promotes equal opportunities, equal treatment, and fair conditions of employment. It focuses particularly on talent and internal leadership development, prioritizing the development of agility and entrepreneurial initiative in every employee.



Our long-term ambition

To collaborate as a diverse and inclusive network of ambassadors and contributors, enabling the company to stay on top of labor market trends and be a great place to work.



Future key target

Employee commitment rate above industry benchmark for all sites.

OUR APPROACH

Composition of workforce

At the end of 2021, the headcount of the continuing operations—including those on fixed-term contracts—totalled 6'909 people (previous year: 6'456). Employees are spread across more than twenty locations in 13 countries, with 35% in Asia, 20% in North and South America, and 45% in Europe. This equated to 6'805 full-time equivalents at the end of the year (previous year: 6'357).

Expressed as an annual average, 11.2% were employed on a fix-term contract (previous year: 9.3%). The proportion of women in the overall workforce was 36.4% (previous year: 37.4%), while the proportion of women in senior positions was 18.6% (previous year: 18.3%). Based on 6'710 as the average number of full-time equivalents for the year (previous year: 6'405), revenue per full-time equivalent was CHF 141'984 in 2021 (previous year: CHF 130'226).

Datwyler pays fair wages and offers social benefits in line with the relevant country and sector. Personnel expenses, including contributions to the social security funds, amounted to CHF 321.1 million in the reporting year (previous year: CHF 300.8 million).

Promoting entrepreneurial initiative

Management at Datwyler is based on concrete and inspiring objectives, which are broken down and assigned to the various levels within the hierarchy. The company uses the concept of Objectives and Key Results (OKR) for this purpose. For each selected objective, several key results and related activities are defined that are specific, timebound, and challenging in order to foster thinking and acting on what matters most. For each key result, there is a responsible person who coordinates the alignment of activities to meet the objectives at all hierarchical levels and in all units of the company. Activities are regularly reviewed and adjusted if necessary, and the objectives and key results are transparent and observable by all employees. In this way, Datwyler delegates responsibility for achieving goals to the lowest possible level and promotes entrepreneurial initiative and customer focus across the business.

Agility to strengthen competitiveness

Increasing agility is a key strategic priority for Datwyler. In this way, the company promotes the organisation's adaptability to rapidly changing conditions and further strengthens collaboration across departmental boundaries and hierarchical levels. Since 2019, a Head of Sustainability & Agility has worked with a team to increase agility within the organisation. As part of their effort, employees from all locations and hierarchical levels have volunteered to work as self-organised teams in agility communities and have been trained to become agility coaches. In 2021 the agility movement evolved into the Network Organization (NWO). The goal was to establish a collaborative model between the functional areas of Datwyler Production System (DPS), Agility, Quality, Advanced Technologies and Automation/Industrialisation/Digitalisation to increase operational excellence. Global HR is also part of the NWO.

The NWO's mission is to provide high-quality support services within the organisation.

Leadership development / WeLead program

Datwyler is creating an environment for agility to be lived in everyday life and for employees to make full use of their talents, skills, and creativity. To this end, the company offers its leaders targeted training that helps them to create a culture, where everybody feels appreciated, respected and empowered for who they are and for what they do. The company's internal WeLead program—a series of seven training initiatives, each with its own learning objectives leading to different, yet aligned results—is the basis for its systematic talent management and the foundation to apply appropriate leadership styles in a VUCA world.



In 2021, 181 Datwyler employees participated in 15 sessions of WeLead trainings. Participants rate their overall experience with these programs highly. Positive elements are high interactivity level, mixed delivery methods (input sessions, breakout group work, plenary discussions, individual coaching). It is well balanced between theoretical input and practical application of content learned. Content and speed are adjusted real time to the pace of the group, which is functionally, culturally, and geographically diverse. Participants highlight the safe space they experience for learning.

Talent and Succession Management

In 2021 Datwyler further improved the previous year formally introduced talent and succession management process. Involving top-leaders, more than 20 conferences have been held on site, in Business Units/Areas and with the Management Board.

Talents have been assessed, identified and discussed for Key positions to safeguard succession planning.

For talents individual development plans including on and off the job activities have been established to prepare them for future challenges.

Datwyler Academy

The Datwyler Academy is a cross-functional scrum team that applies an agile approach to shape learning, development, and knowledge-sharing activities at Datwyler. The team aspires to create and launch a uniform, global approach to learning activities throughout the employee life cycle by connection individual, team, and organisational development needs to the company's strategic objectives. The Academy's Scrum team works as a strong and overarching support function, all on a voluntary basis.

In 2021, the Academy team conducted cross-divisional pilots on the Learning Management System (LMS). Countable progress was made towards realising several use cases for the design and implementation of learning interventions, for example:

- Organising the annual refresher training on the Code of Conduct via the LMS.
- Setting higher standards for the training of staff dealing with health care clients.

In 2021, courses were held with a total of almost 1'700 participants. All these trainings were developed internally by the respective content experts and distributed to an internal target audience. User satisfaction is high in terms of experience with the platform and relevance of content to business needs.

Performance reviews and common goals for everyone

Remuneration policy to support corporate strategy instead of particular interests

The remuneration philosophy, as set forth in the Articles of Association, is aligned with the business strategy of sustainable, growth, considers the Datwyler compensation model, and aims to promote and support the four core values of the Datwyler Group:

- We are entrepreneurs.
- We excel at what we do.
- We bring value to our customers.
- We have respect for others.

Reward team effort

In 2020, Datwyler redesigned its bonus system. Individual goals were set aside and replaced by common corporate goals. In 2021 this system has been further improved. Starting from 2022 onwards, sustainability targets will be included in the short term incentive pay.

By taking sustainability measurement parameters into account in the variable incentive for all eligible employees, Datwyler is promoting awareness of the sustainability focus areas.

Personal performance appraisals support development

While individual targets for the award of variable remuneration are a thing of the past at Datwyler, individual targets remain in place to support the personal development of each employee.

Diversity, Equity, and Inclusion

Datwyler has zero tolerance for discrimination, humiliation, oppression, harassment, or insults relating to anyone's gender, origins, nationality, culture, religion, or colour. This is clearly laid down in the Code of Conduct, with punishments ranging from sanctions to dismissal.

In 2021, to further strengthen Datwyler's culture in this area, the company issued a formal Diversity, Equity, and Inclusion (DEI) policy. The policy constitutes the basis for effective DEI management throughout the Datwyler Group.

«We firmly believe that our company can only thrive if every single one of our employees is able to realize one's potential to the fullest and is deployed where one's personal strengths are called upon. If everyone can be themselves and feel fully invested in what we do, together we will achieve lasting success. This is what we call 'be yourself @ Datwyler'.»

Quote from DEI Policy

Datwyler's Diversity Council was established in 2021. It is a diverse group of employees led by a management board member or senior manager that meets regularly and acts as steering board. It defines targets for DEI key performance indicators and monitors the implementation of strategic DEI measures and initiatives. All employees have the right to approach the diversity council with ideas or complaints.



Datwyler measures its performance in diversity management with key performance indicators and one relevant pulse check or employee survey per year. The diversity council reports to the management board and the Board of Directors at least once a year.

No claims of potential discrimination within Datwyler companies were received in 2021.

Employee surveys

Employees who are happy, motivated, and willing to accept change are the backbone of a company because they work hard. They should make up a substantial proportion of the workforce. To measure employee satisfaction and engagement on a range of parameters, Datwyler conducts a comprehensive employee survey every other year, most recently in 2020 (GRI 102-43, GRI 102-44).

The results were very positive overall, with all target values improved over the last survey and well above industry benchmarks (Swiss Arbeitgeber Award and industry). According to its employee survey, 85% of Datwyler employees fall into this «genuinely satisfied» category.

As a result of the survey, action plans on a site basis were developed.

Employee benefits and recognition

The slogan #FOR YOU serves as an umbrella for a range of benefits and initiatives at Datwyler that support employees and make them feel valued. The program is constantly growing and organized around five pillars:

1. Health
2. Well-being
3. Work environment
4. Ideas/involvement
5. Personal development

The spectrum of #FOR YOU measures in 2021 was also shaped by the pandemic and its impact on the health (1) and well-being (2) of employees. The central topic was how to deal with working from home—voluntarily or forced—in an optimal way for the company and the employees (3).

Of continuing importance to Datwyler and its employees from a number of perspectives is the issue of language. On the one hand, cross-border communication and thus cooperation depend on the possibility of linguistic understanding. On the other hand, foreign language skills are also a valued personal development. For this reason, offers for the further development of foreign language skills are also provided under the slogan #FOR YOU. Datwyler employees with English skills of all hierarchy levels are offered the opportunity to gain international experience by working on short-, mid-, or long-term assignments at its plant in Delaware in the United States. In China, the site initiated a project to meet physically and support each other building English language skills. Participants present technical themes to each other in English and while relevant content and knowledge is shared, they help each other building up confidence in speaking and presenting in English.

Employee structure

	2021	2020	Change
Headcount annual average	6'794	6'539	+3.9 %
└ thereof female	36.4 %	37.4 %	n/a
Average permanent headcount	6'035	5'928	+1.8 %
└ thereof female	38.1 %	39.4 %	n/a
Average temporary headcount	759	611	+24.2 %
Average headcount with higher management function	169	165	+2.4 %
└ thereof female	18.3 %	18.8 %	n/a
Headcount end of period	6'909	6'456	+7.0 %
Employees joining (new, growth in existing functions/replacements)	1'447	654	+121.3 %
Employees leaving	994	1'082	-8.1 %
└ thereof voluntary leaves	911	622	+39.3 %
Total deviation versus prior year	453	-428	n/a
Rate of new hires	24.0 %	11.0 %	n/a
Turnover rate	15.1 %	10.5 %	n/a

The information on employees relates to the continuing operations. The turnover rate is calculated by dividing the number of those leaving voluntarily by the average headcount for the year (not including temporary employment contracts).

Voluntary leaves

	2021	2020	Change
Male	505	375	+34.7 %
└ turnover rate	13.5 %	10.4 %	n/a
Female	406	247	+64.4 %
└ turnover rate	17.6 %	10.6 %	n/a
Under 30	333	240	+38.8 %
30-50	513	337	+52.2 %
Over 50	65	45	+44.4 %
Higher management (mgmt)	19	23	-17.4 %
Team leader (tl)	5	9	-44.4 %
Office worker (excl. mgmt & tl)	101	50	+102.0 %
Production worker (excl. mgmt & tl)	786	540	+45.6 %
Full-time equivalents average YTD	6'710	6'405	+4.8 %

The information on employees relates to the continuing operations.

Full-time equivalents

	2021	2020	Change
Full-time equivalents end of period	6'805	6'357	+7.1 %
└ thereof in Asia	35.3 %	36.8 %	n/a
└ thereof in North and South America	19.4 %	18.2 %	n/a
└ thereof in Switzerland	9.5 %	9.0 %	n/a
└ thereof in rest of Europe	35.8 %	36.0 %	n/a

The information on employees relates to the continuing operations.

STORIES

Ideation channel

Using Ideation Channel for cultural change

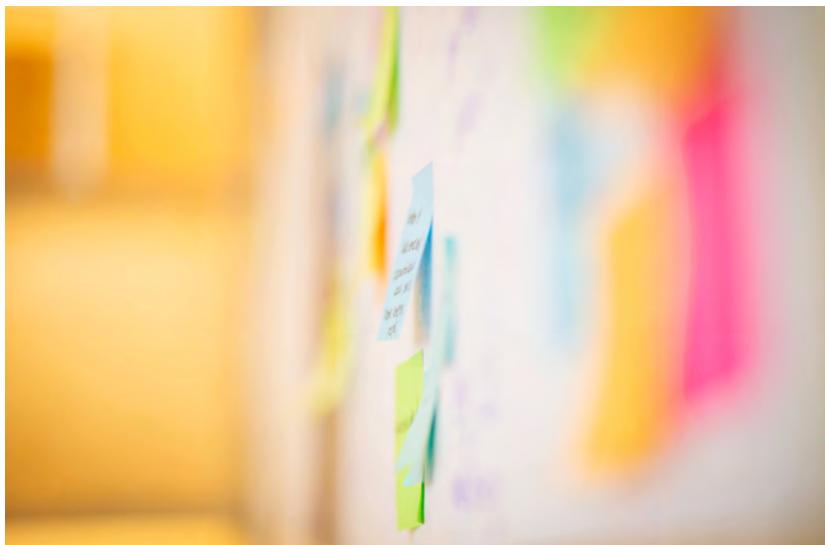
Recognising that innovation starts with everyone and that no one knows the company better than its employees, Datwyler introduced an Ideation Channel in 2021. The goal was to spark entrepreneurial courage and to work from the bottom up.

This channel was also used in a campaign to collect ideas for the improvement of diversity, equality, and inclusion. In this campaign, we asked everyone to contribute and submit ideas related to very actionable topics in day-to-day life, working initiatives, practices that matter in any stage of the employee life cycle, or long lasting cultural changes that they desire to see.

This ideation campaign had led to 41 unique ideas generated by our colleagues. Of those, eleven have been shortlisted and presented as preferred action points for the DEI council to determine a path forward on.

Likewise, the ideation campaign was used to provide food for thought. It put the question center stage why diversity, equality, and inclusion are important for a company.

An incredible range of considerations came to light—among others, well-founded legalistic as well as cultural considerations were made.



One of Switzerland's best employers

Since 2000, Switzerland's largest benchmarking initiative, the Swiss Employer Awards [\[2\]](#), have honored the best employers in the country. All companies with at least 50 employees in Switzerland and Liechtenstein can participate. Every year, around 120 companies take part in four different size categories (50-99, 100-249, 250-999, 1000+ employees). The scientifically developed questionnaire consists of around 60 questions and is completed on average by 75% of all employees of a company. The following target variables are relevant for the ranking: Commitment, satisfaction, no resignation, employer attractiveness, and recommendation.

In 2021 over 46,000 employees from 165 companies in Switzerland and Liechtenstein participated. With an overall rating of 4.2 out of 5 stars, Datwyler has become 4th in the Swiss Employer Awards in the category of medium-sized companies (250-999 employees) and 98 % of employees would recommend Datwyler as an employer.

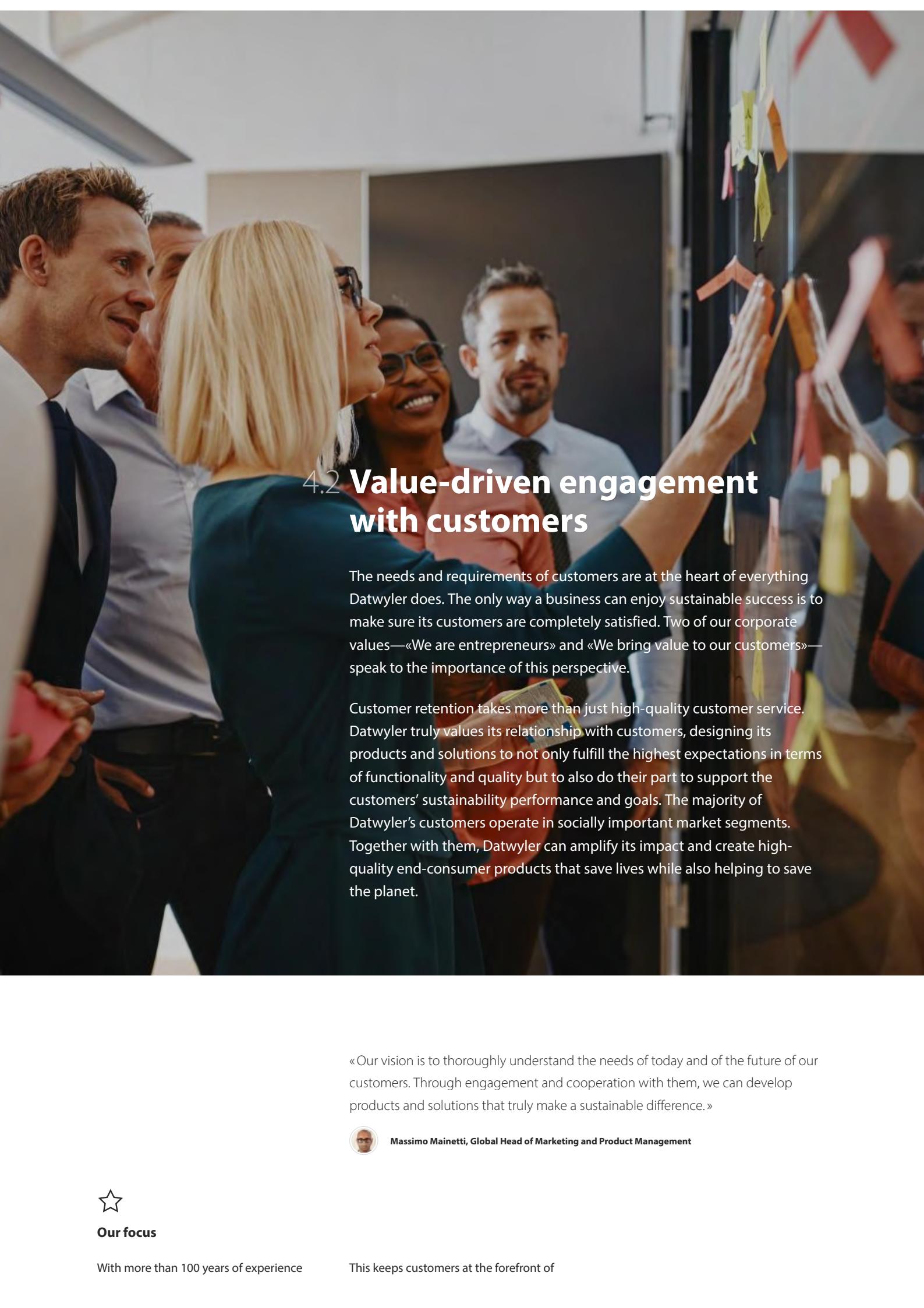
 [Read more about the Swiss Employer Awards \[\\[2\\]\]\(#\)](#)



Diversity and inclusion enrich corporate culture

As contributing to society through work is essential for many people, integrating employees with differing abilities is valuable for the community. Datwyler in Karlsbad-Ittersbach, Germany, therefore intentionally works with companies that employ people with disabilities, for example, for greenkeeping on the company grounds.

Likewise, Datwyler employs refugees at this location and enables them to temporarily return to some kind of normality. What many of these people have in common is that they meet the opportunity they are given with motivation and a positive attitude. In addition, they enrich the perspective of many of their colleagues through their personal experiences.



4.2 Value-driven engagement with customers

The needs and requirements of customers are at the heart of everything Datwyler does. The only way a business can enjoy sustainable success is to make sure its customers are completely satisfied. Two of our corporate values—«We are entrepreneurs» and «We bring value to our customers»—speak to the importance of this perspective.

Customer retention takes more than just high-quality customer service. Datwyler truly values its relationship with customers, designing its products and solutions to not only fulfill the highest expectations in terms of functionality and quality but to also do their part to support the customers' sustainability performance and goals. The majority of Datwyler's customers operate in socially important market segments. Together with them, Datwyler can amplify its impact and create high-quality end-consumer products that save lives while also helping to save the planet.

«Our vision is to thoroughly understand the needs of today and of the future of our customers. Through engagement and cooperation with them, we can develop products and solutions that truly make a sustainable difference.»



Massimo Mainetti, Global Head of Marketing and Product Management



Our focus

With more than 100 years of experience

This keeps customers at the forefront of

and a global production footprint, Datwyler's material, engineering, and production expertise helps make it a market leader for system-critical elastomer components. Efforts to constantly improve allow the company to continually expand its innovative portfolio of products and services.

technological advancement by consistently engaging with them to demonstrate its dedication to their needs. Datwyler has a zero defects philosophy and applies Quality by Design principles in its design and manufacturing processes. Sustainability has become another integral part of Datwyler's value proposition to customers and helps the company differentiate itself in the marketplace.



Our long-term ambition

Perceived as a sustainability leader by customers.



Future key target

High rankings in customer service rating for sustainability.

OUR APPROACH

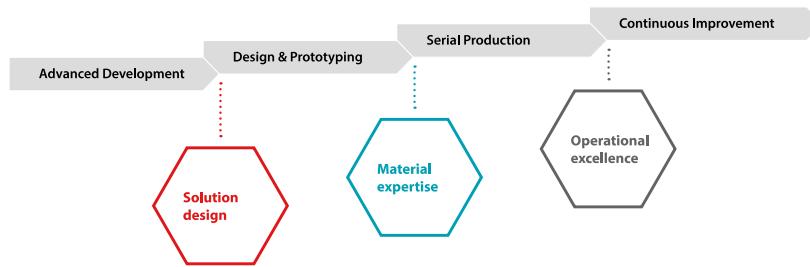
Supplying system-critical elastomer components

The elastomer components Datwyler produces for specific customers are system-critical parts. They are a key contribution to ensuring systems function properly and safely for customers in the socially important global Healthcare, Mobility, Food & Beverage, and General Industry market segments.

Datwyler's core competencies

Datwyler's core competencies of **solution design**, **material expertise**, and **operational excellence** form the basis for its value-driven engagement and co-engineering approach with customers across industries. They allow Datwyler to support customers as a development partner—from the original design study and prototype phase through to global production of billions of parts based on a zero-defect philosophy throughout the entire life cycle of the product.

The value of Datwyler's core competencies is becoming increasingly apparent to its globally active customers as they run ever more powerful and complex systems.



Integrating sustainability into customer engagements

Datwyler is increasingly marketing its ambitious sustainability strategy and how it can add value to customers. All global customer-facing teams are trained on Datwyler's sustainability program and encouraged to always include sustainability in the value proposition presented to customers. It doesn't matter if it is during a 30-minute call or three-day workshop, one of Datwyler's main customers or a new lead, a multinational or a small start-up company. It is Datwyler's explicit goal to encourage sustainability-related collaborations with customers to maximise impact.

Customer satisfaction

Datwyler regularly surveys customer satisfaction—most recently in 2020 (GRI 102-43, GRI 102-44). The survey revealed a positive and consistent image of Datwyler and a high level of satisfaction across different markets, customer sizes, and roles.

For the future, a specific sustainability survey for customers is planned.

Systematic complaints management

Datwyler maintains a systematic approach to complaints management with a global process and uniform database. The internationally recognised 8D reporting concept is used to process complaints and resolve the underlying problems. Datwyler also endeavours to define detailed product specifications with customers in advance to avoid the potential for future complaints. The aim is to continuously reduce justified complaints compared to the previous year.

Continuous improvement process

Datwyler uses the results of customer surveys and complaints management to identify and implement measures for improvement. These are part of the systematic management process and thereby help ensure the service customers receive keeps on getting better. For example, Datwyler uses Tech Days on site with existing and potential customers from the Mobility business unit to strengthen relationships and raise awareness of its competencies and offerings.

Doing business with Datwyler must be simple for existing and potential customers. This is why the company wants to develop an even better understanding of the future requirements and needs of its markets and customers. This kind of proactive approach will help Datwyler benefit from changes within the international supplier industry, since customers in global market segments have been steadily reducing the number of suppliers they use and tending to work more closely with those they retain. Datwyler is thus increasingly becoming a development partner with the ultimate aim of saving costs and conserving resources.

Customer health and safety and chemical compliance

Datwyler meets a variety of chemical law requirements at its production locations as well as additional industry and customer-specific rules. Almost all Datwyler Group products are subject to statutory information obligations in the countries of use. Chemicals legislation and the EU REACH regulations regarding the physical composition of products are of particular relevance. REACH (EU Regulation 1907/2006) governs the registration, assessment, and approval of chemical substances within the European Union. With its proactive chemical compliance management, Datwyler goes above and beyond legal requirements, setting leading standards worldwide in the elastomer industry. Again, in the 2021 reporting year, Datwyler recorded zero incidents of non-compliance with provisions of conduct relating to the impact of products on the health and safety of users.

↑ [Read more about our chemical compliance management](#)



over **1'000**
customers with close
working relationships



over **30**
of partnership with
renowned customers



45 %
of revenue generated by
the ten largest customers



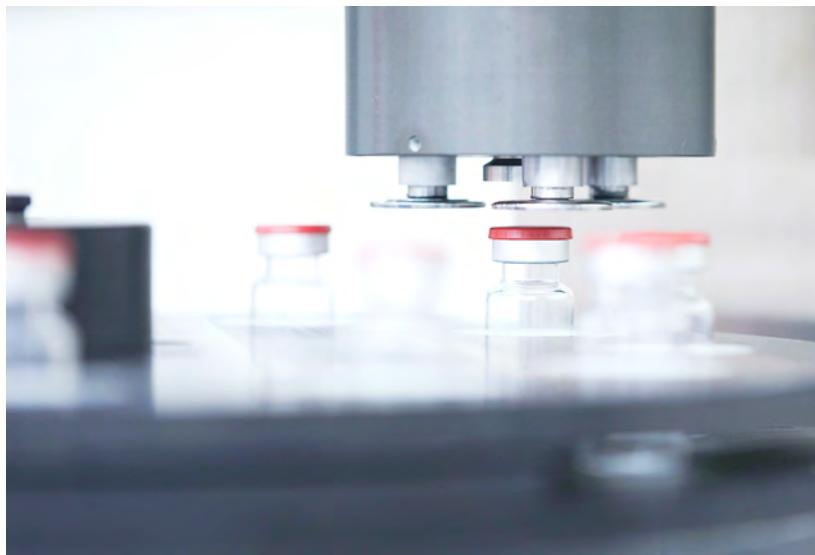
NPS **8.0**
customer satisfaction
score

Drug delivery devices for Net Zero emissions

As a sector, the pharmaceutical industry's carbon emissions are even greater than that of the automotive industry. The urgency of action required for global GHG emissions reduction demands partnerships along the entire pharmaceutical value chain. In May 2021, Datwyler and seven other companies representing the pharmaceutical supply chain for pharmaceutical products, announced the founding of the Alliance to Zero. Alliance to Zero is a non-profit membership association for pharma and biotech supply chain companies that aims to facilitate the transition of the pharma sector to compliance with net zero emissions in line with the goal of the Paris Climate Agreement.

Among others, the Alliance to Zero was established to address the issue of emissions caused by drug delivery devices and packaging. Drug delivery devices and the primary and secondary packaging account for a proportion of the CO₂ emissions of combination products based on their design. By adopting the principles of the circular economy, Alliance to Zero facilitates the transition of the pharma sector to net zero emissions by 2030.

 [Learn more about the Alliance to Zero](#)



COVID-19 vaccines

Pivotal partner for COVID-19 vaccine providers

Datwyler has made major investments in recent years to increase its manufacturing capacity globally in order to support the increased demand for vaccines. Due to the COVID-19 pandemic, Datwyler has scaled up its facilities faster than originally planning, increasing the company's worldwide capacity for coated components by almost 50% over the last two years. In summer 2021, Datwyler was recognized by

BioNTech as a partner in the company's efforts to provide COVID-19 vaccines. Datwyler is also a supplier to the Serum Institute of India. Since the onset of the coronavirus, Datwyler has supplied system-critical packaging components for injectable drugs such as stoppers and aluminium seals to vaccine developers around the world.

 [Read more in the corresponding media release](#)



4.3 Safe and healthy workforce

A safe and healthy workplace is of utmost importance to Datwyler. Good health and safety measures not only reduce injuries and illnesses for employees, they secure long-term benefits for Datwyler by reducing absences and ensuring that the workplace is more efficient and productive. With the integrated Datwyler Production System, workplace safety and health management are an integral part of the company's drive for operational excellence.

«Working at Datwyler has massively changed my personal attitude toward sustainability. I was never anything like an environmental activist. But today I am very convinced that the company I work for is honestly committed to greater sustainability. For the people, for the environment. That's why I'm sure that companies have to be sustainable for their own sake if they want to survive in the future. It will be an advantage in any competition.»



Adrian Büeler, Global Head of Operations, BU Mobility & Site Director Novy Bydzov



Our focus

An accident- and injury-free vision is strongly embedded in Datwyler's corporate strategy. This ensures the commitment of the company and those responsible under its Code of Conduct to ensuring a safe working environment and providing employees with regular training.

This focus applies to the technical planning of workplaces, facilities, and processes, and to safety management and people's individual behaviour as they go about their day-to-day work. Furthermore, each site has its own targets to guide their performance and make Datwyler's corporate strategy more tangible.



Our long-term ambition

Zero accidents and zero injuries and a healthy working environment.



Future key target

0.25 accident-related days of absence a year per full-time equivalent and four days of absence due to illness a year per full-time equivalent on company level.



Employee safety is a top priority at all Datwyler plants.



OUR APPROACH

Established health and safety management

Datwyler is committed to protecting the health and safety of all employees, contractors, or visitors by planning, managing, conducting, and supervising its work in compliance with legislation and best practices. One priority of Datwyler's health and safety management is to develop and coordinate health and safety systems and processes at a global level to prevent accidents and improve health and safety conditions at production sites. The global Environment Health and Safety (EHS) Manager coordinates global workplace safety and health initiatives in cooperation with Human Resource Management. Technical support is provided to specific sites as needed by a local EHS manager, who oversees deployment and follow-up of processes.

To ensure state-of-the-art health and safety awareness, plants hold regular trainings and audits and encourage employees to report any safety observations. Findings from these audits and individual accidents on site-level are reported to the global EHS Manager, who retains the findings in a central database that is accessible to all plants to enhance learning. These regular audits ensure health and safety compliance, good practices, continuous training, and advance site certification. Already, fourteen of Datwyler's production sites are ISO 14001 certified, and the six largest sites are ISO 45001 certified. As these six plants comprise more than half of Datwyler's employees, they are instrumental in increasing safety awareness on an employee level. By ensuring that unsafe actions and conditions are identified and eliminated on a regular basis, employee health and safety is further advanced.

In all global production plants of the two business areas Healthcare Solutions and Industrial Solutions there were 2'099 days of absence due to workplace accidents in 2021 (prior year: 2'098). Expressed per full-time equivalent, this figure equates to 0.31 days' absence for the year as a whole (prior year: 0.33). This figure is slightly above the Datwyler target of 0.25, which is the «Good Practice» benchmark set by SUVA, the Swiss Accident Insurance Fund. Higher than accident-related absence is absence due to illness. This amounted to 44'736 days in the reporting year (prior year: 41'878). This equates to 6.67 days' illness per full-time equivalent (prior year: 6.54). This value is above the medium-term Datwyler target of four days of absence due to illness a year per full-time equivalent, but is verifiably due to the COVID-19 pandemic.

The data covers all employees at all sites, including temporary staff. Datwyler is employing systematic absence management and individual consultations to continuously work on further improvement of the work environment aiming to reduce the absence rate and keep employee motivation high.

Absences

	2021	2020	Change
Total available working days FTE (TAWD)	1'840'544	1'687'029	+9.1 %
Total absences other than vacation days	67'313	75'485	-10.8 %
Total absences other than vacation days in % of TAWD	3.7 %	4.5 %	n/a
└ thereof absences due to work related accidents (days)	2'099	2'098	+0.0 %
Work related accidents in days per FTE (annual average)	0.31	0.33	-6.1 %
└ thereof absences due to illness (days)	44'736	41'878	+6.8 %
Illness in days per FTE (annual average)	6.67	6.54	+2.0 %

FTE = Full time equivalent. TAWD = Total available working days. The information on absences relates to the continuing operations.

Interview Global Head of Operations Business Unit Mobility

Adrian Büeler has been with Datwyler for 20 years in various functions. He currently holds two positions at the same time: the Director of the site in Novy Bydzov in the Czech Republic, and the Global Head of Operations for the entire Business Unit Mobility (products for the automotive industry). In both functions, he works daily with the Datwyler Production System, which anchors the idea of operational excellence in production. Since Datwyler's understanding of operational excellence includes numerous aspects of sustainability, Adrian Büeler is responsible for major parts of sustainability in his business unit.



Adrian Büeler

What is the Datwyler Production System?

“ The Datwyler Production System (DPS) is a common approach to improve our overall operations performance. DPS is based on Datwyler's company values and lean principles. It is, at its core, a philosophy of continuous process improvement. We expect DPS to change not only our processes in the medium term, but also our way of thinking and our corporate culture.

Why is DPS taken as a catch-all for sustainability in production?

“ Operational excellence is our ultimate goal and consists of six dimensions: Safety, quality, delivery, costs, environment, and people. Thus, a large part of the DPS topics have a direct link to sustainability. The valuable thing about the DPS—from the point of view of integration sustainability—is its wide dissemination. All sites work with DPS, and all levels from the shopfloor in production to global management. In addition, DPS provides sustainability management with another service: measurability. DPS is provided with key performance indicators that serve central management.

How do you collaborate around DPS and sustainability?

“ We have a global organisation to manage the DPS. This consists of three people. The site directors are responsible for the deployment of the DPS. As Head of Operations, I have an interface function. My current focus is on the further development of the DPS reporting system. In this respect, operational excellence in all its dimensions must reach a level comparable to the historically strong financial performance indicator system in order to be given the same weighting in corporate management.

What are the key challenges?

“ We are in the same position as many other industrial companies: it is demanding to keep pace with developments—for example in society, in technology, in the general conditions. Moreover, the field of sustainability is now so broad that it has become even more challenging to allocate the still scarce resources in the best possible way.

For me personally—especially in my function as site director—I feel particularly challenged when it comes to the satisfaction and health of my employees. It is so central to success. But many jobs in our production plants include for example, manual, repetitive work or shift work. These framework conditions we can hardly change. Our levers are creating better workplaces, foster an inclusive culture and individual development perspectives.

In which sustainability topics are you making good progress?

“ The fact that there are major challenges does not mean that we will not also make countable progress! By making sustainability a strategic priority, we have been able to massively increase awareness. For example, we are already very well positioned in terms of climate protection in some plants. Our Swiss plant, for example, is a role model, where numerous energy-saving and efficiency-enhancing measures have been implemented over many years. Today, the plant is heated with wood chips, ground water is used as a heat source, and 100% renewable electricity is purchased. However, the level of the sites is very different. But energy consumption and efficiency are now being targeted everywhere.

Overall, Datwyler is well positioned compared to the rest of the industry. But today we also dare to think in terms of visionary time frames. And in this perspective, we clearly still have a long way to go.

And what—from a sustainability point of view—are the priorities of your work in the current year, especially in the field of employee's health & safety?

“ As mentioned at the beginning, sustainability in production affects us every day. One of the strategic priorities this year is certainly occupational safety. Datwyler has set a medium-term target of zero incidents. By 2022, accidents are to be reduced by 20%. The measures to achieve these objectives must be able to be integrated pragmatically. That is why we have formed cross-functional and cross-site working groups for this purpose. All site directors have been already onboarded. We are now launching various initiatives. One measure will be to work on the right way to deal with near misses and safety risks on the store floor in order to move away from the current reactive behaviour. Our employees should develop an intuitive sense of what constitutes a good, safe workplace.

STORIES

Safety training for the management

ZERO Accident Culture kicked-off

Datwyler has set itself the goal of establishing a «ZERO Accident Culture.» To achieve this, measures are being implemented at all levels. In order to train leaders in this strategic topic all managers (166) with a direct or indirect leadership function at the Schattdorf site underwent a one-day training course in 2021.

The training was conducted by the Swiss National Accident Insurance Fund (SUVa), with a focus on the responsibility of managers for the safety and health of employees. However, it also explained the legal basis, the specific accident figures at the site in Schattdorf and their consequences, and the basics of a sustainable management and safety culture.

Based on this first positive experience, the training module will be included in the induction programme for new managers.

In addition, a second training module will be implemented to introduce the «Mobile Safety App» for recording unsafe conditions, safety observations and controls, as well as training in audit techniques and didactics.



Full commitment of the managers during the safety training

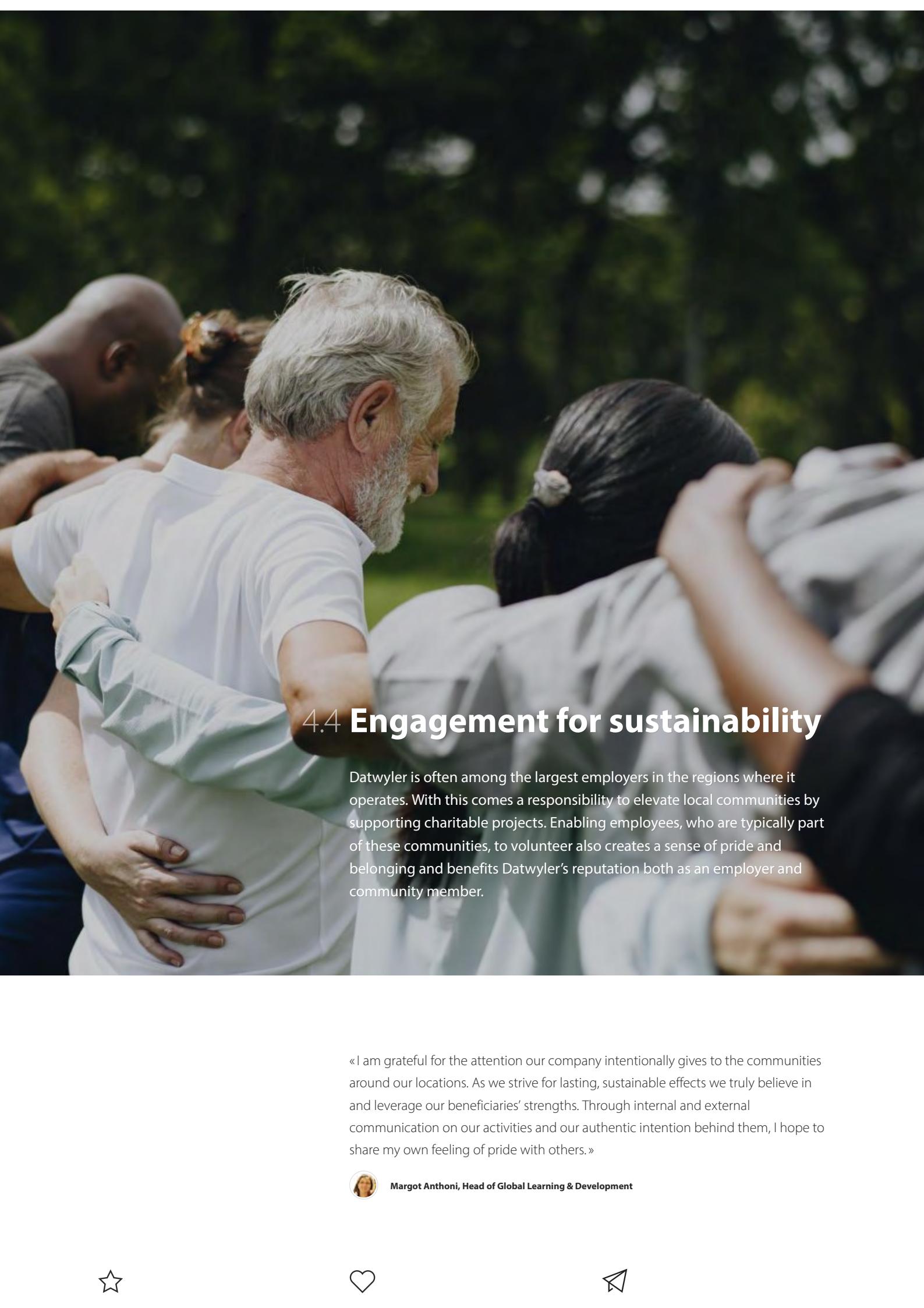
The aim of all these measures is to establish a sustainable safety culture and a sense of responsibility in occupational safety, as well as the continuous reduction of accident events to zero.

Safety award at USA

Occupational accidents halved thanks to targeted risk management

In the United States, the two Datwyler Pharma Packaging sites were able to reduce the workers' claim frequency rate by 50% and their lost time claim frequency rate by 14% between 2019 and 2021.

These results were achieved through a collaborative partnership in risk control by developing and implementing the annual risk control service plans as well as the company's ongoing additional efforts to improve employee safety and reduce risk on a daily basis. This positive development was recognised by the insurance company PMA with an award.



4.4 Engagement for sustainability

Datwyler is often among the largest employers in the regions where it operates. With this comes a responsibility to elevate local communities by supporting charitable projects. Enabling employees, who are typically part of these communities, to volunteer also creates a sense of pride and belonging and benefits Datwyler's reputation both as an employer and community member.

«I am grateful for the attention our company intentionally gives to the communities around our locations. As we strive for lasting, sustainable effects we truly believe in and leverage our beneficiaries' strengths. Through internal and external communication on our activities and our authentic intention behind them, I hope to share my own feeling of pride with others.»



Margot Anthoni, Head of Global Learning & Development



Our focus

Datwyler supports its local communities not only through wages and tax payments, but also through donations, volunteering and engagement, education, and improvement of local infrastructures.

Our long-term ambition

Engage Datwyler people at all locations in relevant community work.

Future key target

At least one external community activity per location, per year.

OUR APPROACH

Benefitting society

Many of Datwyler's products benefit society directly. The company was particularly proud of its important contribution to the global fight against the pandemic.

 [Read more about Datwyler's collaboration with COVID-19 vaccine developers](#)

Benefitting local communities

As a large regional employer, Datwyler's bigger sites generate considerable direct and indirect economic benefits for the local area. Municipalities benefit not only from the tax paid by Datwyler companies and its employees, but also the community projects that every site runs locally make a positive difference. As a guideline for community projects, Datwyler explicitly focuses on activities in the area of education, critical human needs, and inclusion of minority groups.

The goal is to have at least one active local community engagement project at every location. In 2021, Datwyler ran a global survey to snapshot our engagement with our communities. This served as a foundation to cluster activities and share-to-inspire others. At the end of 2021, 80% of the locations had executed a community project. While there were plans to involve more employees as volunteers in the projects, due to COVID-19 restrictions and to safeguard everyone involved, more active volunteering work had to be waived in the reporting year.

STORIES

Engagement on critical human needs

Broad support for health, education, and infrastructure in India

Over the last 10 years, Datwyler has operated a production site in Kesurdi, India, not only creating new jobs, but also maintaining a corporate responsibility program. Central to this program are the community projects where Datwyler has been supporting inhabitants of surrounding villages, thereby creating a positive local influence. What is special about these initiatives is that local Datwyler employees take an active role in planning and implementation.



Datwyler also implemented projects to improve local infrastructure in cooperation with the non-governmental organisation Planet Water. Amid the challenges posed by COVID-19, Datwyler expanded Corporate Social Responsibility (CSR) initiatives in India to provide resources, support, and information to members of the communities surrounding its Kesurdi plant. For example, Planet Water has constructed water treatment plants for the villages of Aandori, Bawada, Dhanagarwadi, and Mariaichewadi. This was complemented by an education program on the importance of water conservation and personal hygiene.



In response to the floods in various regions of India, Datwyler also donated grain to people affected by the floods.

 [Read more about CSR projects in India](#)

 [Read more about activities in India to fight the pandemic](#)

Engagement for education

Providing first insights into the world of working

During a semester or holiday, Daegu University students are offered to work for 2 months in a month in a job that corresponds with their field of interest. This is supported by the government to provide work experience for students from local colleges.

Engagement for education

Maintaining contacts with scientists and talents

Datwyler employees in Italy regularly host courses for students. For example, in 2021 a Manufacturing Science and Technology Manager taught process engineering to master's students. This was part of a project to promote didactic partnership between schools/universities and companies, supported by the Italian industrial organisation Assolombarda and the University of Bicocca.

Such cooperation is a win-win situation. For Datwyler, it is an opportunity to build competencies at schools/universities, to establish contacts with graduates as potential employees and with university professors with regard to possible partnerships in research and development. In return, the students receive the latest knowledge with practical relevance.

 [More about educational activities in Italy](#)

Engagement on critical human needs

Supporting ways out of poverty

Engagement on critical human needs

Helping with goods of daily use

Dallas Life is a homeless recovery center that provides meals, shelter, and clothing to its residents. It also provides counselling services, pastoral care, medical care, and programmes for children and teenagers. Datwyler's US subsidiary Double E took part in preparing and serving lunch at Dallas LIFE.

In a similar way, colleagues in Middletown support the less fortunate. In collaboration with the Middletown Action Network, employees generously donated food.

Sint-Vincentius is an aid organisation in Limburg, Belgium, that is committed to helping people living in poverty by collecting and donating basic goods. Datwyler employees in Alken were asked to donate goods and the company also made a valuable monetary donation.

«We want to provide more value to all our stakeholders and share our success with the community around us.»



Sabrina Gérard
Head of Sustainability & Agility

[Watch the video](#)

APPENDIX

Since 2009, Datwyler has been a member of the UN Global Compact and publishes a sustainability report according to the GRI Standards. At the links below, you will find the GRI Content Index and the Communication on Progress, which summarize significant aspects of the ten principles of the UN Global Compact.

GRI Content Index

[GRI Content Index](#)

UN Global Compact communication on progress

[UNGC COP](#)

ENQUIRIES



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GRI Content Index



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. Detailed information can be found in the referenced parts of the Sustainability Report 2021.

Universal Standards

GRI 101: Foundation (2016)

GRI 102 General Disclosures (2016)

1. Organizational profile

GRI 102-1	Name of the organization	Dätwyler Holding Inc.
GRI 102-2	Activities, brands, products, and services	About us
GRI 102-3	Headquarters	Dätwyler Holding Inc. Gotthardstrasse 31, 6460 Altdorf, Switzerland
GRI 102-4	Location of operations	Overview of all locations
GRI 102-5	Ownership and legal form	Shareholder structure
GRI 102-6	Markets served	About us
GRI 102-7	Scale of the organization	About us
GRI 102-8	Information on employees and other workers	4.1 Employer of choice
GRI 102-9	Supply Chain	3.4 Sustainable procurement
GRI 102-10	Significant changes to the organization and its supply chain	None
GRI 102-11	Precautionary Principle	2.2 Risk management
GRI 102-12	External Initiatives	Alliance to Zero United Nations Global Compact; Sustainability reporting according to the Global Reporting Initiative GRI Standards; Reporting to CDP (formerly the Carbon Disclosure Project); Alliance to Zero
GRI 102-13	Membership of associations	Swissmem; Global Compact Network Switzerland

2. Strategy

GRI 102-14	Statement from senior decision-maker	Interview with Chairman & CEO
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3. Ethics and integrity

GRI 102-16	Values, principles, standards, and norms of behavior	2.3 Compliance and ethics There has been a binding code of conduct for employees since 2008 and one for suppliers since early 2014. There is also an annual compliance reporting process.
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4. Governance

GRI 102-18	Governance structure	Corporate Governance
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5. Stakeholder Engagement

GRI 102-40	List of stakeholder groups	Customers, the environment, employees, shareholders, suppliers and the communities in which the Datwyler Group companies have often been long established and promote regional development as reliable employers and partners.
GRI 102-41	Collective bargaining agreements	68.0% of all employees are covered by collective agreements (or collective bargaining agreements)
GRI 102-42	Identifying and selecting stakeholders	The Datwyler Group places great emphasis on respecting and engaging in an open and honest dialogue with all stakeholders who play a role in our business success and who are significantly affected by our business operations.
GRI 102-43	Approach to stakeholder engagement	Regular processes are intended to improve stakeholder engagement: supplier evaluations, customer surveys, employee surveys. The various sites also maintain regular contact with representatives from local authorities and the government.
GRI 102-44	Key topics and concerns raised	Main findings from supplier evaluations, customer surveys and employee surveys can be found in the Sustainability Report 2020, as the last surveys of this kind were conducted in 2020.

6. Reporting practice

GRI 102-45	Entities included in the consolidated financial statements	If not stated otherwise, all entities in the Datwyler Group.
GRI 102-46	Defining report content and topic Boundaries	As part of a multistage process, Datwyler first conducted interviews on the subject of sustainability with representatives of the management teams and experts within the company. Datwyler also performed a benchmark analysis of peer companies. The Executive Management structured the identified key topics by order of strategic relevance, and approved them for the Group accordingly. Topics with material economic, social, and environmental impacts were also identified and are being gradually developed.
GRI 102-47	List of material topics	Material topics <ul style="list-style-type: none">– Drive profitable growth– Value-driven engagement with customers– Eco-design– Resource-friendly production– Employer of choice– Engagement for sustainability– Diversity of the Board of Directors and Executive Management– Accelerate digitalization– Increase agility– Sustainable procurement– Safe and healthy workforce– Commitment– Transparency– Compliance and Ethics
GRI 102-48	Restatements of information	None

GRI 102-49	Changes in reporting	The online distributor Reichelt, which was held by Datwyler till 29 September 2021, is not included in the resource but in the revenue.
GRI 102-50	Reporting period	01.01.2021 – 31.12.2021
GRI 102-51	Date of most recent report	31.08.2021
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Contact point for questions regarding the report	Sabrina Gérard Head of Sustainability and Agility sabrina.gerard@datwyler.com
GRI 102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
GRI 102-55	GRI content index	GRI Content Index
GRI 102-56	External assurance	No external assurance

Topic-specific Standards

GRI 200 Economic

GRI 201: Economic Performance (2016)

GRI 103-1	Management Approach (2016)	1.6 Economic performance
GRI 103-2		
GRI 103-3		

GRI 201-1	Direct economic value generated and distributed	1.6 Economic performance content
GRI 201-3	Defined benefit plan obligations	Annual Report 2020 (page 52) ↗

GRI 203: Indirect Economic Impacts (2016)

GRI 103-1	Management Approach (2016)	1.6 Economic performance
GRI 103-2		
GRI 103-3		

GRI 203-2	Significant indirect economic impacts	1.6 Economic performance
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GRI 205: Anti-Corruption (2016)

GRI 103-1	Management Approach (2016)	2.3 Compliance and ethics
GRI 103-2		
GRI 103-3		

GRI 205-2	Communication and training about anti-corruption policies and procedures	2.3 Compliance and ethics
GRI 205-3	Confirmed incidents of corruption and actions taken.	No incidents in the reporting year.

GRI 206: Anti-competitive Behavior (2016)

GRI 103-1	Management Approach (2016)	2.3 Compliance and ethics
GRI 103-2		
GRI 103-3		

GRI 206-1	Legal actions for anti-competitive behaviour	2.3 Compliance and ethics
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Company-specific topic: Accelerate digitalisation

GRI 300 Environmental

GRI 302: Energy (2016)

GRI 103-1	Management Approach (2016)	3.1 Climate-neutral operations 2030
GRI 103-2		
GRI 103-3		
GRI 302-1	Energy consumption within the organization	3.1 Climate-neutral operations 2030
GRI 302-3	Energy intensity	3.1 Climate-neutral operations 2030
GRI 302-4	Reduction of energy consumption	3.1 Climate-neutral operations 2030
GRI 302-5	Reduction in energy requirements of products and services	3.2 Eco-design

GRI 303: Water and Effluents (2018)

GRI 103-1	Management Approach (2016)	3.3 Resource-friendly production
GRI 103-2		
GRI 103-3		
GRI 303-1	Water withdrawal and water consumption	3.3 Resource-friendly production

GRI 305: Emissions (2016)

GRI 103-1	Management Approach (2016)	3.1 Climate-neutral operations 2030
GRI 103-2		
GRI 103-3		
GRI 305-1	Direct (Scope 1) GHG emissions	3.1 Climate-neutral operations 2030
GRI 305-2	Energy indirect (Scope 2) GHG emissions	3.1 Climate-neutral operations 2030
GRI 305-4	GHG emissions intensity	3.1 Climate-neutral operations 2030
GRI 305-5	Reduction of GHG emissions	3.1 Climate-neutral operations 2030

GRI 306: Waste (2020)

GRI 103-1	Management Approach (2020)	3.3 Resource-friendly production
GRI 103-2		
GRI 103-3		
GRI 306-1	Waste generation and significant waste-related impacts	3.3 Resource-friendly production
GRI 306-2	Management of significant waste-related impacts	3.3 Resource-friendly production
GRI 306-3	Waste generated	3.3 Resource-friendly production
GRI 306-4	Waste diverted from disposal	3.3 Resource-friendly production
GRI 306-5	Waste directed to disposal	3.3 Resource-friendly production

GRI 307: Environmental Compliance (2016)

GRI 103-1	Management Approach (2016)	3.3 Resource-friendly production
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GRI 103-2
GRI 103-3

GRI 307-1 **Non-compliance with environmental laws and regulations.**

Based on the compliance reporting process, no lawsuits were filed against Datwyler in 2021 for non-compliance with environmental protection laws and regulations.

GRI 400 Social

GRI 401: Employment (2016)

GRI 103-1 **Management Approach (2016)** 4.1 Employer of choice

GRI 103-2
GRI 103-3

GRI 401-1 **New employee hires and employee turnover.** Employee data

GRI 403: Occupational Health and Safety (2018)

GRI 103-1 **Management Approach (2016)** 4.3 Safe and healthy workforce

GRI 103-2
GRI 103-3

GRI 403-1 **Occupational health and safety management system** 4.3 Safe and healthy workforce

GRI 403-2 **Hazard identification, risk assessment, and incident investigation** Chemical compliance

GRI 403-3 **Occupational health services** 4.3 Safe and healthy workforce

GRI 403-4 **Worker participation, consultation, and communication on occupational health and safety** 4.3 Safe and healthy workforce

GRI 403-5 **Worker training on occupational health and safety** 4.3 Safe and healthy workforce

GRI 403-6 **Promotion of worker health** 4.3 Safe and healthy workforce

GRI 403-9 **Accidents and day lost** 4.3 Safe and healthy workforce

GRI 403-10 **Work-related illness** 4.3 Safe and healthy workforce

GRI 404: Training and Education (2016)

GRI 103-1 **Management Approach (2016)** 4.1 Employer of choice

GRI 103-2
GRI 103-3

GRI 404-2 **Programs for upgrading employee skills and transition assistance programs** 4.1 Employer of choice

GRI 404-3 **Percentage of employees receiving regular performance reviews** 4.1 Employer of choice

GRI 405: Diversity and Equal Opportunity (2016)

GRI 103-1 **Management Approach (2016)** 4.1 Employer of choice

GRI 103-2
GRI 103-3

GRI 405-1 **Diversity of governance bodies and employees** 4.1 Employer of choice

GRI 406: Non-discrimination (2016)

GRI 103-1	Management Approach (2016)	4.1 Employer of choice
GRI 103-2		
GRI 103-3		

GRI 406-1	Incidents of discrimination and corrective actions taken	4.1 Employer of choice
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GRI 408: Child Labor (2016)

GRI 103-1	Management Approach (2016)	2.3 Compliance and ethics
GRI 103-2		
GRI 103-3		

GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	In its Code of Conduct established in 2008 and with its participation in the UN Global Compact, the Datwyler Group has committed itself to protecting human rights. This means that all legal entities categorically reject the use of child labour. In the reporting year, no sites or suppliers were identified where child labour represents a significant risk.
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GRI 409: Forced or Compulsory Labor (2016)

GRI 103-1	Management Approach (2016)	2.3 Compliance and ethics
GRI 103-2		
GRI 103-3		

GRI 409-1	Operations and suppliers at significant risk of incidents of forced or compulsory labor	In its Code of Conduct established in 2008 and with its participation in the UN Global Compact, the Datwyler Group has committed itself to protecting human rights. This means that all legal entities categorically reject the use of forced or compulsory labour. In the reporting year, no sites or suppliers were identified where forced or compulsory labour represents a significant risk.
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GRI 414: Supplier Social Assessment (2016)

GRI 103-1	Management Approach (2016)	3.4 Sustainable procurement
GRI 103-2		
GRI 103-3		

GRI 414-1	New suppliers that were screened using social criteria	3.4 Sustainable procurement
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GRI 416: Customer Health and Safety (2016)

GRI 103-1	Management Approach (2016)	2.3 Compliance and ethics
GRI 103-2		
GRI 103-3		

GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.3 Compliance and ethics
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GRI 419: Socioeconomic Compliance (2016)

GRI 103-1	Management Approach (2016)	2.3 Compliance and ethics
GRI 103-2		
GRI 103-3		

GRI 419-1	Non-compliance with laws and regulations	2.3 Compliance and ethics
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Company specific topic: High client satisfaction

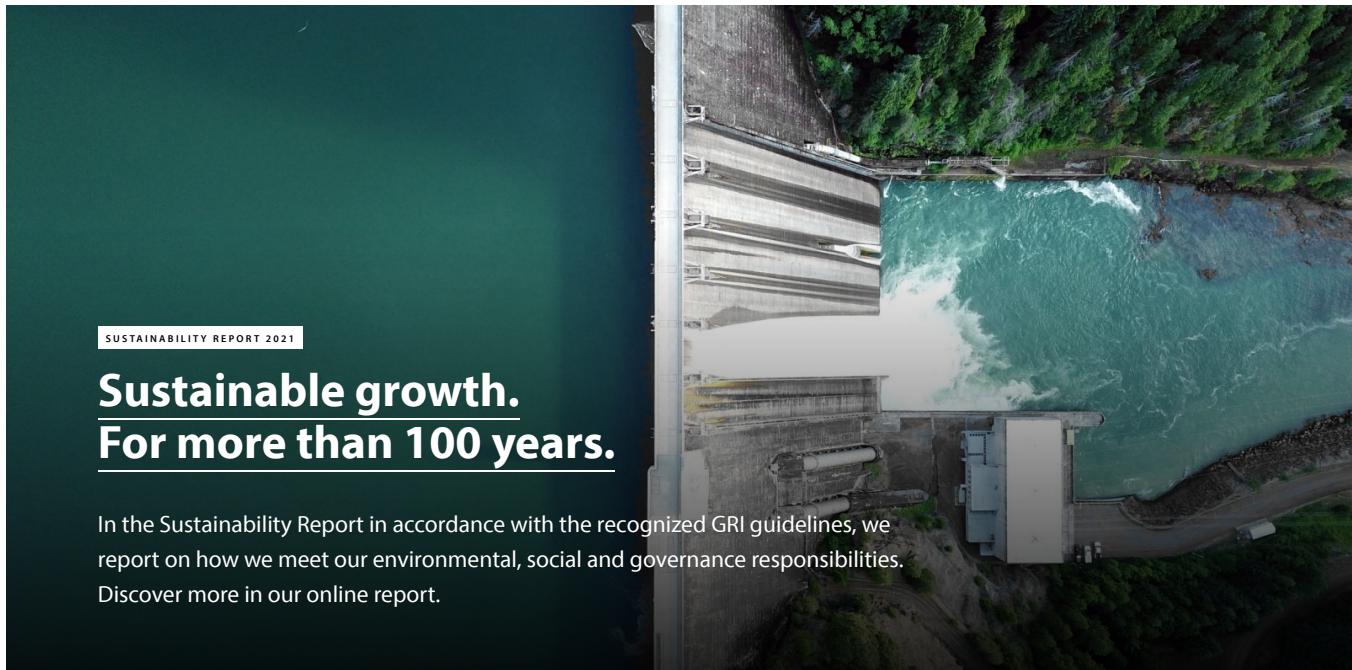
GRI 103-1	Management Approach (2016)	4.2 Value-driven engagement with customers
GRI 103-2		
GRI 103-3		

UN GLOBAL COMPACT

Communication on Progress 2021

Since 2009, the Datwyler Group has been a member of the UN Global Compact. The Communication on Progress below summarises significant aspects of the ten principles of the Global Compact. More information about specific actions and outcomes can be found in the referenced parts of the sustainability report and in the GRI Content Index.

 Human Rights  Labour  Environment  Anti-Corruption



«Advance Sustainability» as proactive strategic priority

For Datwyler, sustainability means operating successfully in the present, while also being oriented toward the long term. Thus, the company wants to not only be responsive to current global and market trends, but to proactively contribute to shaping a sustainable future. A long-term orientation means striking a balance between economic, environmental, and social aspects in all decision-making processes.

Datwyler's vision is to become a truly sustainable company focused on environmental, social and governance. This vision is inspired by the company's intrinsic motivation to safeguard what is most essential for the business and its shareholders, customers, workforce, and their families. Building on more than 100 years of corporate history and a decade of sustainability achievements, when Datwyler made sustainability a strategic priority in 2020, it reinforced the importance of integrating sustainability across the company's activities.

By adding sustainability as fourth strategic priority, it is now considered an integral part of Datwyler's overall strategy to improve opportunities and reduce risks. In addition to helping the company sustain high profitability, sustainability initiatives have simultaneously created value for many stakeholders by:



Creating innovative and sustainable products for customers



Decreasing its environmental footprint along the entire value chain



Enhancing prospects for employees in numerous regions



Offering attractive and equal opportunities for all talents



Cooperating with suppliers and business partners based on fairness



Modelling leadership for sustainable development in the industry



Sharing success with communities close to production sites

In this way, we live up to our environmental and social responsibility as a reliable partner to our stakeholders and contribute to achieving the UN Sustainable Development Goals. Datwyler has been a member of the UN Global Compact since 2009 and is engaged in the area of environmental protection, responsible labour practices, human rights and the prevention of corruption both within the company itself and in its supply chain.

In our sustainability reporting, we provide information on our sustainability goals and performances in a transparent manner and in accordance with the GRI Standards.

Dirk Lambrecht
Group CEO

HUMAN RIGHTS

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 1

Datwyler's Code of Conduct clearly stipulates that the companies and employees of the Group must respect the human rights, dignity, privacy, and personal rights of every individual. Datwyler does not tolerate any form of discrimination, humiliation, oppression, harassment, or offence. In the reporting year 2021, the Compliance Officer (currently the CFO) received no complaints of alleged discrimination in Datwyler companies. In its Code of Conduct, Datwyler commits to ensuring a safe and healthy working environment. Datwyler has defined expectations of suppliers in a separate Supplier Code of Conduct.

Sustainability Report 2021
→ [Compliance and Ethics](#)

Company Website
→ [Code of Conduct](#)
→ [Supplier Code of Conduct](#)

Businesses should make sure that they are not complicit in human rights abuses.

Principle 2

In its Code of Conduct, Datwyler commits to open and honest behavior with integrity. Datwyler gives its suppliers fair contractual terms and reasonable valuable consideration. In return, Datwyler also expects the suppliers to treat their employees and suppliers fairly and honestly.

Since 2014, the Datwyler Group also has a supplier Code of Conduct.

Sustainability Report 2021
→ [Compliance and Ethics](#)
→ [Sustainable Procurement](#)

Company Website
→ [Supplier Code of Conduct](#)

LABOUR

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Datwyler's Code of Conduct explicitly states that employees are free to join trade unions. The Datwyler companies maintain a constructive dialogue with internal employee representatives. Employees in Switzerland are subject to the Collective Bargaining Agreement of the Swiss mechanical and electrical engineering industries. Company-wide, 68.0% of the Datwyler workforce were covered by collective bargaining agreements in 2021.

Company Website
→ [Code of Conduct](#)

Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 8

In its Code of Conduct, Datwyler commits to protecting human rights and categorically rejects the use of forced and compulsory labour. The systematic sustainability reporting shows that all companies of the Datwyler Group comply with this principle.

Company Website
→ [Code of Conduct](#)

Businesses should uphold the effective abolition of child labour.

Principle 5

In its Code of Conduct, Datwyler commits to protecting human rights and categorically rejects the use of child labour. The systematic sustainability reporting shows that all companies of the Datwyler Group comply with this principle.

Company Website
→ [Code of Conduct](#)
→ [Supplier Code of Conduct](#)

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Principle 6

The Code of Conduct specifies that Datwyler does not tolerate any form of discrimination, humiliation, oppression, harassment, or offence. In the reporting year 2021, the Compliance Officer (currently the CFO) received no complaints of alleged discrimination in Datwyler companies.

Sustainability Report 2021
→ [Compliance and Ethics](#)

Company Website
→ [Code of Conduct](#)

ENVIRONMENT

Business should support a precautionary approach to environmental challenges.

Principle 7

For Datwyler, environmental protection is an important mission and is therefore embodied in the company's values and Code of Conduct. This encompasses both environmentally friendly production, the efficient use of resources, and the development of products that are made of the most environmentally sound components possible.

The environmental data in the sustainability reporting covers more than 99% of energy consumption, 99% of resource consumption, more than 97% of waste, and 100% of Datwyler's continued operations workforce.

The company is continuously investing in the maintenance and modernisation of its production plants worldwide. In the reporting year, investments in property, plant, and equipment amounted to CHF 110.9 million (2020: CHF 90.8 million / 2019: CHF 104.6 million). The impact on the use of resources is also considered when any investments are made in equipment and buildings.

Sustainability Report 2021
→ [Climate-neutral operations 2030](#)
→ [Resource-friendly production](#)

Business should undertake initiatives to promote greater environmental responsibility.

Principle 8

At the end of 2021, 14 Datwyler plants were certified to ISO 14001, and additional plants are working toward ISO environmental certification. Thanks to measures that were implemented, Datwyler succeeded in reducing resource consumption per revenue unit for electricity and water volume over the last five years despite higher revenues.

Datwyler has set a goal to achieve climate neutrality for its own operations (Scope 1 and 2) by 2030. Beginning with emissions of approximately 80'000 tons of CO₂eq in 2020, Datwyler is following the reduction path defined by the Science Based Targets, which includes implementing measures to purchase renewable energy and increase energy efficiency. These actions are intended to drastically reduce greenhouse gas emissions despite forecasted business growth. In addition, greenhouse gas emissions that can't be avoided will be offset from 2030 onward in order to

achieve climate neutrality. Datwyler also started a project to identify and quantify Scope 3 emissions to develop measures for emission reduction.

In 2021, Datwyler's operations were responsible for emissions of about 78,000 tons CO₂eq (scope 1 and 2) - a successful reduction in absolute CO₂ emissions by 2.5% compared to 2020. Thanks to the measures implemented to improve energy efficiency, relative CO₂ emissions have decreased by 14% compared to 2020.

Sustainability Report 2021
→ [Climate-neutral operations 2030](#)
→ [Eco-design](#)
→ [Resource-friendly production](#)

Business should encourage the development and diffusion of environmentally friendly technologies.

Principle 9

Environmental protection at Datwyler encompasses both environmentally friendly production with efficient use of resources and the development of products that are made of the most environmentally sound components possible. With its proactive chemical compliance management, the company goes above and beyond the legal requirements. Datwyler proactively identifies substances of concern that are particularly hazardous to health and harmful to the environment and prohibits the use of these substances in the development and production of new elastomer products.

In many cases, Datwyler products directly help to protect the environment. One example is the new rubber gaskets for environmentally friendly natural gas engines or for Selective Catalytic Reduction technology, which reduce nitrogen-oxide emissions from diesel-powered vehicles in the automotive industry.

Sustainability Report 2021
→ [Eco-design](#)
→ [Resource-friendly production](#)
→ [Value-driven engagement with customers](#)

ANTI-CORRUPTION

Businesses should work against corruption in all its forms, including extortion and bribery.

Principle 10

Datwyler's Code of Conduct strictly prohibits collusion, bribery, and corruption. The Code of Conduct is reiterated to employees regularly during internal training sessions. Once again, no legal actions for anti-competitive behaviour or anti-trust or monopoly practices were brought against Datwyler in 2021, nor were significant fines or non-monetary sanctions imposed on Datwyler for noncompliance with laws and regulations during the reporting year. In accordance with the Code of Conduct, Datwyler does not provide financial support to political parties, organizations, or office holders.

Since 2014, the Datwyler Group also has a supplier Code of Conduct.

The internal auditors regularly monitor compliance with laws and observation of the Code of Conduct in all organizational units of Datwyler.

Sustainability Report 2021
→ [Compliance and Ethics](#)

Company Website
→ [Code of Conduct](#)
→ [Supplier Code of Conduct](#)