



Sustainability Report 2025

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Message from the CEO and CFO

Dear Readers,

2025 was a defining year for StarragTornos, as we continued to strengthen our commitment to sustainability and responsible business across the entire Group. Throughout the year, we worked to further align our ESG priorities at all levels of the organization, guided by the conviction that meeting the expectations of our stakeholders in this area remains a central responsibility and opportunity for us.

A key milestone in 2025 was the completion of our Group-wide double materiality analysis according to the European Sustainability Reporting Standards, which enabled us to focus on the most material ESG topics and align our approach with industry peers.

As an industrial machine tool manufacturer, our responsibility is embedded in the products we bring to market. This responsibility translates into concrete choices in how we design, industrialize, and operate our machines, with a focus on efficiency and compactness. In 2025, the Group launched several new products reflecting this approach. The Starrag division introduced the new 5-axis Heckert X Compact series, designed to take up significantly less space while maintaining high performance. The Tornos division launched an ultra-compact turning machine, designed for resource efficiency and energy-conscious operation, delivering outstanding productivity while using fewer resources.

We would like to express our sincere thanks to our shareholders for their continued trust and support, and to our employees for their dedication, expertise, and passion. Their commitment enables us to move forward together on our sustainability journey, true to our strategy, “Growing Sustainable.”

Sincerely,

Martin Buyle, CEO

Markus Jäger, CFO



About This Report

The StarragTornos Group 2025 Sustainability Report covers the environmental, social, and governance dimensions of the Group's activities, providing an overview of key initiatives and results for the reporting period. The 2025 Sustainability Report comprises four main sections, aligned with the pillars of the company's **Growing Sustainable** strategy: Products, Environment, Social, and Business Conduct.

This report has been prepared in accordance with applicable Swiss laws and regulations, in particular with the provisions pertaining to transparency on non-financial matters contained in the Swiss Code of Obligations (Swiss CO) and related ordinances, specifically Art. 964b of the Swiss CO on reporting on non-financial matters and the Ordinance on Climate Disclosures. The StarragTornos Group also adheres to the requirements of Art. 964j–l of the Swiss CO regarding due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labor. Additionally, this report has been prepared with reference to the 2021 Global Reporting Initiative (GRI) standards and the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. Information about the relevant disclosures under these articles and standards can be found in the content index at the end of this report.

Details about the StarragTornos Group business model and risk management can be found in the Strategy Report (pages 9–11) and the Corporate Governance Report (pages 70–91) of the Annual Report.

In 2025, the StarragTornos Group initiated the establishment of its double materiality assessment according to the European Sustainability Reporting Standards (ESRS), as part of its efforts to strengthen sustainability reporting practices. The sections of this report focus on the material topics identified for the company during this assessment.

In this report, the terms 'the company', 'the organization', 'the Group', and 'StarragTornos' are used interchangeably and refer to the same entity, the StarragTornos Group. In line with the financial reporting, the reporting period is January 1 to December 31. The 2025 Sustainability Report covers the entire StarragTornos Group and aligns with the scope of entities included in the consolidated financial statements, as listed in the 2025 Annual Report. Any cases where data availability has limited the scope of the sustainability information reported are clearly indicated in the Methodological Note section.

For questions relating to this Sustainability Report, please contact StarragTornos Group AG, Seebleichstrasse 61, 9404 Rorschacherberg, Switzerland, +41 71 858 81 11, email: sustainability@starragtornos.com



Sustainability Governance and Strategy

StarragTornos is firmly committed to driving sustainable economic development, while maintaining a strong focus on environmental protection, ensuring the health and safety of individuals, and respecting human rights.

The Group strives to uphold these responsibilities at all organizational levels and throughout its value chain, while establishing a structured governance framework to support these ambitions. This governance framework lays the foundations for a clearly defined strategy built on solid sustainability principles and a deep understanding of the company's impacts. It reflects StarragTornos' determination to create value for its stakeholders and society as a whole, while actively addressing global challenges and fostering sustainable positive change.

The Group Executive Board and the management teams at the individual units actively promote this culture of responsibility across the organization, ensuring that employees at every level share and practice this approach. The company's commitment to acting responsibly in line with these values is outlined in the StarragTornos policies.

Our vision is embedded in all our activities:

“We are dedicated to the development of sustainable and innovative manufacturing solutions, setting standards not only for high-quality products, but also for environmental responsibility and social impact in our industry.”

The Role of the Administrative, Management, and Supervisory Bodies

The StarragTornos sustainability governance involves the Board of Directors, the Executive Board, the Corporate Sustainability Manager, the Sustainability Leadership Team, local Sustainability Coordinators, topic owners, and experts.

Board of Directors

The StarragTornos Board of Directors is responsible for guiding the Group's ESG ambitions and approving significant investments. It also has ultimate oversight of and responsibility for climate-related risks and opportunities. The Executive Board, together with the Corporate Sustainability Manager, coordinates the implementation of the sustainability strategy across the Group. The Board reviews progress on sustainability targets at least twice a year during its meetings.

A member of the Board of Directors is delegated to sustainability topics, regularly reviewing the advances in the corporate sustainability strategy and reporting. This Delegate also advises the Corporate Sustainability Manager on the sustainability strategy, ensuring alignment with the Board's vision and expectations.

Executive Board

The CEO and CFO are responsible for overseeing the Group's overall ESG performance in line with its sustainability strategy and climate transition plan. They conduct regular reviews with the Corporate Sustainability Manager to assess the implementation of agreed actions and evaluate the Group's sustainability performance. The CFO is also responsible for ensuring the Group's compliance with applicable regulations and standards, including sustainability requirements.

Corporate Sustainability Manager

The Corporate Sustainability Manager provides expertise on ESG topics and advises the Executive Board and the Board of Directors on sustainability strategy. Primary



responsibilities include coordinating ESG initiatives across the Group, preparing the annual Sustainability Report, overseeing legal compliance with sustainability regulations and ensuring transparent communication of sustainability performance to stakeholders. The Corporate Sustainability Manager is also responsible for monitoring climate-related risk assessments for the Group and ensuring that the findings are brought to the attention of the StarragTornos Executive Management and the Board of Directors.

Sustainability Leadership Team

Chaired by the Corporate Sustainability Manager, the Sustainability Leadership Team comprises several senior managers representing both divisions and meets every six weeks. The committee supports the implementation of the sustainability objectives and serves as a platform for exchanging challenges and best practices across sites, fostering a common understanding and a unified direction throughout the Group.

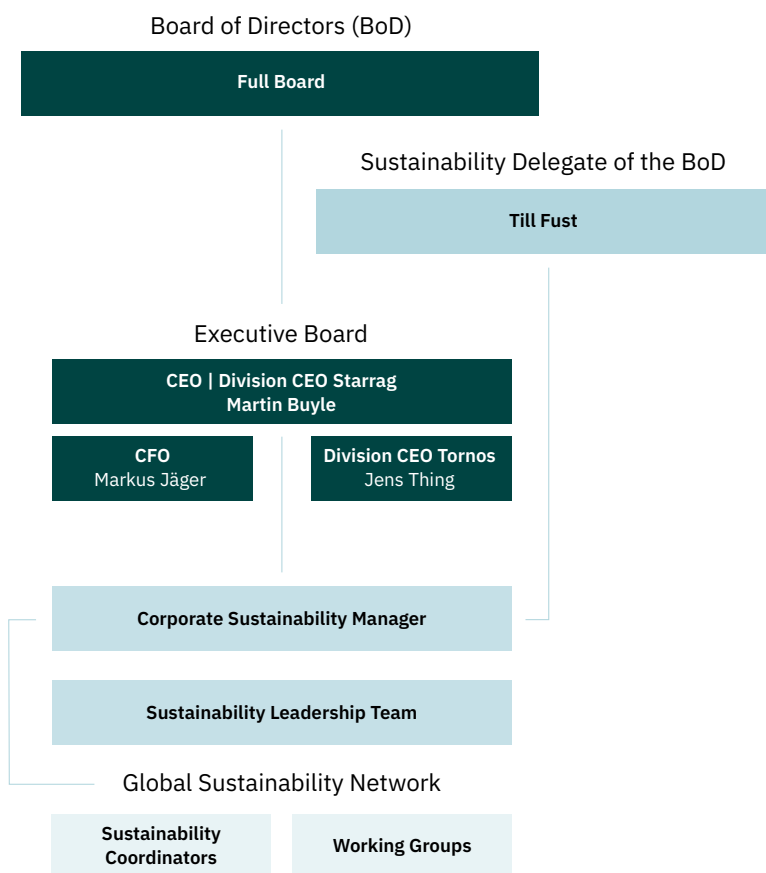
Local Sustainability Coordinators

The Sustainability Coordinators at the subsidiaries support the Corporate Sustainability Manager in implementing the Group’s sustainability strategy through locally adapted measures and initiatives. They collect the data needed for the Group’s Sustainability Report and participate in seminars led by the Corporate Sustainability Manager. These sessions help coordinators keep up to date, exchange best practices, and share updates on various sustainability projects across the Group.

Strategy Framework

Sustainability is a core component of the StarragTornos Group’s strategy. The *Growing Sustainable* framework structures the Group’s ambitions and commitments around four key pillars—Products, Environment, Social, and Business Conduct—and aligns these efforts with the United Nations Sustainable Development Goals (SDGs).

In 2025, the Group continued to strengthen the foundation of its sustainability strategy through collaboration with various specialists and department managers, and by identifying impacts, opportunities, and risks as part of a refined double materiality analysis.





Products

Innovation and ecodesign

- Maintain a leadership position in innovation within the machine tools industry
- Develop products so that they minimize energy and resource consumption
- Build partnerships with research and innovation institutes

Product quality and safety

- Develop products that guarantee a high level of quality and safety for our customers
- Provide a high-performance service to ensure quality and safety throughout the entire lifespan of machines

Circular economy

- Offer durable products that can be repaired and recycled
- Facilitate and contribute to a second-hand market of machine tools
- Develop new business models such as “MaaS” in the machine tools industry



Environment

Climate

- Take sustained action to reduce our GHG emissions
- Develop products with a reduced carbon footprint

Energy consumption and efficiency

- Increase the self-generated production of renewable energy
- Continually increase the energy efficiency of the company’s facilities and processes

Transport and logistics

- Minimize the environmental impact of our logistics and business transport

Waste and pollution

- Minimize waste in operations and logistics
- Maximize the rate of recycling or reuse for our waste
- Avoid pollution in our operations



Social

Employment

- Be a respectful, responsible, and attractive employer

Personnel development

- Commit to recruiting, developing, and retaining our employees
- Train future specialists in-house through apprenticeship programs

Occupational health and safety

- Promote employee training and education
- Make the safety and health of our employees the Group’s highest priority

Diversity, equal opportunities, and non-discrimination

- Ensure equal pay for women and men
- Promote women in leadership positions
- Promote women in technical professions
- Contribute to the inclusion of adult learners in the professional sector



Business Conduct

Responsible supply chain

- Safeguard and promote sustainability in the supply chain
- Integrate environmental and social considerations in the supply chain

Human rights and child labor

- Take a zero-tolerance approach to modern slavery and child labor
- Comply with local and international sustainability standards and regulations (Conflict Minerals, ILO, etc.)

Anticorruption and business ethics

- Take a zero-tolerance approach to corruption among employees and suppliers

Data security and customer privacy

- Adhere to data protection regulations
- Provide internal training on data security

Risk management and ESG governance

- Integrate climate and ESG risks into company risk management, alongside cybersecurity risks
- Implement transparent and comprehensive ESG practices





Interests and Views of Stakeholders

StarragTornos strives to maintain an open and transparent dialog with its stakeholders. As part of its extensive value chain, StarragTornos interacts with many different stakeholders. Understanding their views and expectations regarding sustainability provides valuable insights for the Group and directly or indirectly influences its actions. By mapping collective priorities in respect of key stakeholders and maintaining a continuous dialog with them, the company ensures that all voices are heard and integrated into its sustainability efforts.

Additional stakeholders that are important to StarragTornos include competitors, the financial community, insurers, local authorities, community representatives, media, and unions.

StarragTornos key stakeholders

Group	Customers and End-Users	Employees	Business Partners
Description/example	B2B, all markets CNC operators	All employees Executives	Partners/suppliers of components, materials, services, logistics
Priorities	<ul style="list-style-type: none"> Quality and durability of products, environmental impact and conformity of products Customer service and satisfaction Transparent communication and data protection Responsible and ethical supply chain Safety and usability of machines 	<ul style="list-style-type: none"> Secure employment Safe workplace Employer values Development and career Employee benefits Collective labor agreements Economic performance 	<ul style="list-style-type: none"> Ethical business relationships Driving innovation Environmental and social considerations in the supply chain Economic performance Data protection
Group	Academia	Regulators	Shareholders and Investors
Description/example	Universities Technical schools Research centers	Government bodies, industry associations, certification bodies	Private and financial shareholders
Priorities	<ul style="list-style-type: none"> Long-term partnerships Student and apprentice training Innovation stimulation and funding Dynamization of local economic and academic ecosystems 	<ul style="list-style-type: none"> Lawful business conduct Climate change Occupational health and safety Economic performance Environmental and social considerations in the supply chain 	<ul style="list-style-type: none"> Economic performance ESG rating Lawful business conduct Climate change Human rights and ethical business conduct Company reputation



Stakeholder Engagement

Both divisions maintain regular contact with representatives of stakeholder groups using different channels and exchange formats.

Customers

StarragTornos operates a business-to-business (B2B) model, maintaining strong relationships with its customers across various markets. Continuous dialog is facilitated through dedicated sales representatives, service hotlines, compliance management channels, and customer surveys. To further support and educate customers, the company offers video seminars, in-person training sessions, and comprehensive marketing materials. Annual “Tech Conferences” and participation in industry fairs also provide valuable opportunities for in-depth discussions and closer collaboration with customers.

Employees

StarragTornos interacts with its employees regularly through various exchanges such as the annual performance management and development processes, direct dialog with managers, and intranet channels and newsletters. The performance management processes reinforce a culture of continuous feedback, where employees and leaders regularly discuss goals, achievements, career aspirations, and training needs, with the aim of fostering a culture of respect, collaboration, and engagement.

Business Partners/Suppliers

StarragTornos’ supplier relationships are governed by the ethical principles of the *StarragTornos Code of Conduct for Business Partners*, the *Starrag Business Conduct Guidelines*, and the *Tornos Code of Conduct*. They are based on international standards, the company’s requirements and industry considerations. StarragTornos actively engages its suppliers on ESG topics through its Supplier Relationship Management (SRM) platform. The company also maintains a close, regular and long-term dialog with its key partners in order to collaborate on the development of high-performance technical solutions.

Academia

StarragTornos collaborates with schools and universities worldwide, fostering a strong culture of apprenticeship in technical trades. Each year, the Group trains numerous apprentices within its own production facilities. The Group

also cooperates with research institutions and technical colleges, supporting research projects and training either financially or by providing expertise through participation in academic committees. StarragTornos also offers support for internships and thesis projects for Master’s degree students.

Regulators

StarragTornos manufactures machine tools, adhering to a wide range of regulations in Switzerland, Europe and worldwide. These include the Machinery Directive 2006/42/EC, REACH and RoHS regulations, the Waste Electrical and Electronic Equipment (WEEE) Directive 2012/19/EU, as well as regulations governing international transport and export controls. By actively participating in industry associations and working groups such as the association for Switzerland’s MEM industries and related sectors (Swissmem), the German Mechanical Engineering Industry Association (VDMA) and the German machine tool builders’ Association (VDW), StarragTornos shares its expertise with peers to help uphold the highest quality and compliance standards in the machinery industry.

Starrag GmbH and Starrag Technology GmbH are also partner companies in the Blue Competence initiative of the VDMA. With this partnership, Starrag has undertaken to comply with the VDMA’s twelve sustainability principles.

Shareholders and Investors

The Board of Directors represents the interests of the shareholders, setting and overseeing the strategic direction of the Group. The StarragTornos Annual Report is published for its shareholders and other stakeholders. The Annual General Meeting is a forum for discussion where the shareholders have the opportunity to vote on the Sustainability Report, the Board of Directors, and compensation for the Management Board, among other topics.

Impacts, Risks, and Opportunities Management

In 2025, StarragTornos conducted its first double materiality analysis (DMA) in accordance with the ESRS. This assessment represents a key step in building the Group’s sustainability strategy and marks another important milestone in strengthening its foundation.



StarragTornos Double Materiality Process

The Corporate Sustainability Manager, supported by the Sustainability Leadership Team and an external expert partner, conducted this analysis. Both the Group's impacts on the environment and society (inside-out) and the financial risks and opportunities arising from external factors on StarragTornos financial performance and overall position (outside-in) were analyzed. Impacts, risks, and opportunities (IROs) were evaluated throughout the entire value chain, including upstream activities, the company's own operations, and downstream activities. StarragTornos followed the guidance of the European Financial Reporting Advisory Group (EFRAG) and conducted this DMA in four steps: preliminary analysis, impact and financial materiality, consolidation, and approval.

The initial phase focused on defining the scope of the value chain and setting the scoring scales. The analysis concentrated on the key activities related to StarragTornos' products and services across all stages of the value chain—from raw material extraction and sourcing to production, processing, waste management, and recycling. Activities of limited relevance, such as those linked to office supplies, were excluded from the scope, while all geographical locations of StarragTornos were considered. A preliminary inventory of sustainability aspects was compiled, based on the ESRS topic-specific standards. To establish this list, a benchmarking exercise was conducted and complemented by publicly available sources, resulting in the identification of 57 relevant topics at this initial stage.

In the second step, StarragTornos conducted a thorough analysis of all relevant topics from both an impact and financial materiality perspective. This preliminary assessment was conducted with members of the Sustainability Leadership Team, acting as subject matter experts and representatives of the Group's employees, suppliers, and customers. In addition, feedback from internal stakeholders across global sites was collected through questionnaires on climate-related risks. Approximately 73 impacts, risks, and opportunities were identified and evaluated at this stage.

The materiality of actual or potential, positive or negative impacts was defined using a scoring methodology aligned with the ESRS. For financial materiality, the approach was consistent with the Group's risk management framework, assessing the likelihood of occurrence over a 1 to 20-year horizon and the potential financial impact on EBIT, ranging from insignificant to existence-threatening. ESRS time horizons (short-, medium-, and long-term) were also applied. All impacts and risks related to human rights were classified as material regardless of their assessment score. In accordance with the ESRS, IROs are considered material if material from an impact and/or financial materiality perspective. Subsequent to this evaluation, 23 impacts, risks, and opportunities were recognized as material.

During the consolidation phase, interrelationships between impacts and dependencies with risks and opportunities were taken into account. Insights from the climate-risk analysis were also integrated to refine the outcomes of the DMA. These considerations resulted in the identification of 13 impacts, and 9 risks and opportunities in total, which were approved by the Executive Board and the Board of Directors. The results of the materiality analysis will be reviewed annually and adjusted as necessary.

StarragTornos Material Impacts, Risks, and Opportunities

The 22 material impacts, risks, and opportunities identified through the materiality analysis are presented in the Material IROs table and constitute the core of the StarragTornos sustainability strategy. Details on how StarragTornos addresses these material IROs are provided throughout the four main sections of the Sustainability Report, including the policies and measures implemented for each topic. In 2025, the focus was on establishing the Group's first double materiality assessment in accordance with ESRS standards. StarragTornos aims to define specific targets and measurable performance indicators in the next phase and over the coming years.



StarragTornos material IROs

IRO	Status	Type	Value chain	Scope	Time scale	Impact source	Report section
Impact (I) Risk (R) Opportunity (O)	Actual (A) Potential (P)	Negative (N) Positive (P)	Upstream (U) Own operations (oO) Downstream (D)	Local (L) Regional (R) Global (G)	Short-term (<5y) (S) Medium-term (5–10y) (M) Long-term (>10y) (L)	Direct (D) Indirect (I)	ENV PROD SOC BC

E1 Climate change

Energy and climate change mitigation (own operations)

1—Use of energy in daily operations

StarragTornos uses energy for its daily operations and manufacturing processes. The consumption of non-renewable energies in particular leads to greenhouse gas emissions and the depletion of finite natural resources.

I	A	N	oO	G	S	D	ENV
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2—Gaps in energy efficiency

The ageing of infrastructure equipment in some facilities and the lack of a performant energy management system can lead to the suboptimal use of energy in operations and processes.

I	A	N	oO	G	S	D	ENV
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3—Investments in renewable energy

The implementation of solar panels and renewable heating systems in StarragTornos' own facilities contributes to the transition toward a net-zero industry and supports its environmental objectives.

I	A	P	oO	R	S, M	D	ENV
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Climate change mitigation (value chain)

4—GHG emissions from consumption of raw materials and components

The extraction and production of raw materials are major sources of emissions due to their heavy reliance on fossil energy. By using these raw materials in the form of components, StarragTornos indirectly contributes to significant negative environmental impacts across its supply chain.

I	A	N	U	G	S	I	ENV
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5—GHG emissions from the use of products

StarragTornos machines consume electricity throughout their lifetime, generating significant indirect emissions—especially when powered by fossil-based energy.

I	A	N	D	G	S	I	ENV
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Climate change adaptation

6—Acute physical climate risks

StarragTornos operations face potential exposure to acute climate-related risks, such as extreme weather events (heavy rainfall, flooding) and rising temperatures. These may result in higher infrastructure and repair costs, increased insurance premiums and productivity losses.

R			oO	G	M		ENV
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7—Risks of disruption in the supply chain

Climate change may disrupt the StarragTornos supply chain through extreme weather events or long-term environmental shifts affecting suppliers and transport routes. This could lead to delays, cost increases and production interruptions, ultimately impacting the Group's operations and delivery performance.

R			U, D	G	S, M		ENV
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E5 Resource use and circular economy

8—Consumption of natural resources

The manufacturing of StarragTornos products requires significant amounts of raw and finite materials, including metals or alloys such as steel, cast iron, aluminum, and copper along with rare earth metals in magnets and gold for electronic components. These inputs contribute to the depletion of natural resources.

I	A	N	U, oO	G	S	D, I	PROD
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9—Waste in own operations and the value chain

Waste is generated during StarragTornos' manufacturing activities and the use of machines by customers. While sorting and recycling are well established, overall waste volumes remain significant, and certain streams—particularly those containing lubricants or emulsions—present limited recycling opportunities.

I	A	N	oO, D	G	S	D, I	PROD
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10—Services for machine longevity and efficiency

StarragTornos has established extensive global service activities, including repair and modernization services that extend product lifetimes, reduce end-of-life waste, and generate significant value for both customers and the company. New services integrate upgrades for energy efficiency and support the transition to a more sustainable economy.

O			D	G	S, M		PROD
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S1 Own workforce

11—Policies and commitments on work-life balance

StarragTornos promotes flexible working hours through shift optimization and workload management, supporting productivity, employee satisfaction, and long-term workforce stability.

I	A	P	oO	G	S	D	SOC
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12—Occupational health and safety

Incidents have occurred within the Group that may adversely affect individuals' health and safety and create financial and reputational risks. Failure to maintain strong health and safety practices could lead to injuries, operational disruptions, and legal liabilities. StarragTornos fosters a zero-risk culture through regular audits and targeted training.

R			oO	G	S		SOC
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13—Workforce stability

In a challenging economic environment for the manufacturing industry, uncertainty over job security can affect employee engagement and retention, potentially leading to higher turnover and loss of critical expertise. To address this risk, StarragTornos prioritizes clear and timely communication and supports internal mobility initiatives to help maintain workforce stability and preserve organizational knowledge.

R oO G S, M SOC

14—Developing future talent

StarragTornos places considerable emphasis on apprentice and student training, a cornerstone practice in the machine tool industry. These programs support skills development, facilitate knowledge transfer, and strengthen the pipeline of qualified specialists—creating long-term benefits for both the Group and the next generation of professionals.

I A P oO R S D SOC

15—Culture of continuous skills development

Investing in internal talent development offers StarragTornos an opportunity to strengthen employee capabilities, foster innovation, and build a pipeline of future leaders. Enhanced engagement and leadership capacity can improve performance, support continuous innovation, and sustain competitiveness.

O oO G S SOC

S2 Workforce in the supply chain

16—Potential negative impacts to human rights in the supply chain

Although most of the Group’s direct suppliers are located in Europe, where child labor and forced labor are strictly regulated, potential negative impacts may occur further upstream in the supply chain. These may arise in earlier tiers, particularly in activities such as raw material extraction or low-cost component production, where visibility and control are more limited (tier 3 suppliers and beyond).

I P N U G S I SOC

S4 Customers and end-users

17—Relationship with customers

StarragTornos places the customer relationship at the heart of its business, providing clear, reliable information and technical support on its machine tools to ensure safe and optimal use. Brochures, documentation, direct sales communication, and pre- and post-sales services strengthen trust and long-term customer relationships.

I A P D G S D PROD

18—Digital and data-driven innovation of products and services

StarragTornos is advancing the transformation of its products and services by integrating advanced digital technologies and data analytics. These developments aim to enhance machine performance and maintenance and improve customer support, while opening new opportunities for value-added services and revenue streams.

O D G S, M PROD

19—Commitment to end-user safety

StarragTornos actively enhances end-user health and safety by integrating advanced safety technologies, including ergonomic design, automated safety systems, and solutions to reduce noise, vibration, and air pollution. The company ensures high compliance with relevant standards.

I A P D G S D PROD

G1 Business conduct

20—Corporate values and policies

By fostering a strong culture of ethics at all levels of the organization, including strict anti-corruption and anti-bribery principles, StarragTornos helps ensure fair business practices across its value chain. This commitment strengthens trust with customers, suppliers, and other stakeholders, contributing to responsible industry standards and reducing risks of unethical behavior in the broader market.

I A P oO G S D BC

21—Management of supplier relationships

Effective management of supplier relationships is critical to ensure reliable supply, quality components, and compliance with ESG requirements. Given the Group’s dependence on a global supply chain, insufficient supplier engagement or monitoring could expose the company to operational disruptions, compliance risks, and reputational damage.

R U, oO, D G S BC

22—Compliance-related transition risks

The global increase in sustainability and data privacy regulations creates a potential risk of non-compliance, which could lead to reputational damage, financial penalties, or restrictions on product sales. StarragTornos is harmonizing its compliance policies across all operating countries, while continuously monitoring regulatory developments and implementing measures to ensure legal compliance and reduce adverse impacts.

R U, oO, D G S, M BC

Notes on methodology

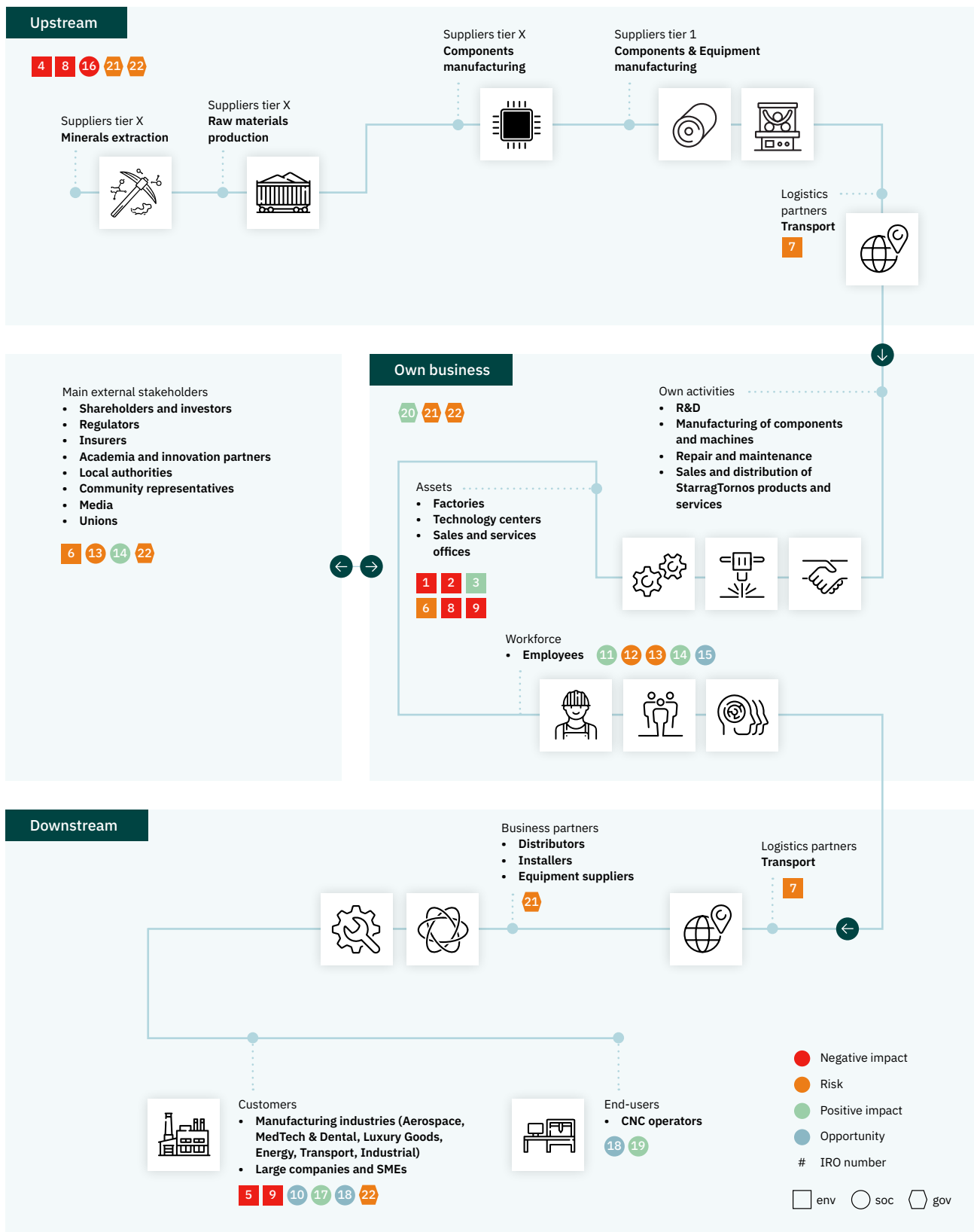
- Topic references (E1, S1, ...) follow the ESRS nomenclature.
- Report sections refer to the following chapters: Environment (ENV), Products (PROD), Social (SOC), and Business Conduct (BC).



StarragTornos Value Chain

The StarragTornos value chain illustrates the various activities and processes undertaken to provide products and services to the market.

This mapping allows the Group to identify the key stakeholders and the material impacts, risks, and opportunities involved in each stage of the value chain.



For IRO description, please refer to StarragTornos material IROs table.

Products



StarragTornos innovates in order to deliver high-quality, sustainable products and solutions, empowering companies worldwide to manufacture with high-performance, long-lasting, and efficient production systems. To achieve this goal, both the Starrag and Tornos divisions are committed to continually increasing the positive sustainability impact of their products and services.

Resource Use and Circular Economy

Valuable natural resources are essential for the manufacture and use of StarragTornos products. The Group strives to preserve these resources by seeking effective ways to reduce material consumption and to increase the reuse and recycling of manufacturing materials. To this end, circular approaches are applied at every stage of the product lifecycle.

Consumption of Natural Resources

StarragTornos does not directly source raw materials but procures components for the manufacture of its products and services. In the reporting year, the Group purchased several thousand tons of components, including cast-iron beds and steel housings. Due to the complexity of the value chain, the Group is currently unable to provide a precise total weight of all manufacturing materials purchased, nor the exact share of recycled content. However, StarragTornos is working to improve visibility across its supply chain and to steadily increase the proportion of recycled (secondary) and recyclable materials. In addition, the Group is exploring the use of recyclable and bio-based packaging alternatives, through initiatives such as the Swiss Reffnet program on resource efficiency.

In parallel, StarragTornos is working on reducing the overall size and material intensity of its machines. Ecodesign principles are applied to minimize weight, optimize component efficiency, and reduce resource

consumption across the entire product architecture. To this end, in 2025 StarragTornos introduced new machine tool models designed to enhance the sustainability performance of its products. The following are notable examples from each division.

Starrag has completed its 5-axis Heckert X Compact series. All new machining centers in this series feature a reduced footprint thanks to their compact design. For example, the Heckert X70 requires 18% less installation space than its predecessor. Tornos has developed a new machine model based on principles of resource efficiency and energy-conscious ecodesign, in collaboration with academic and industrial partners. This ultra-compact turning machine delivers productivity levels that outperform comparable machines currently available on the market.

Waste in Own Operations and the Value Chain

Circular approaches are applied to StarragTornos' waste management, with efforts to reuse or recycle materials such as production scraps and by-products. Another goal is to reduce waste sent to landfill. While the majority of the company's waste is classified as non-hazardous, the Group is committed to implementing effective systems and processes to minimize the environmental impact of all waste generated in its manufacturing processes. StarragTornos collaborates with industrial partners to optimize the recycling of operational waste and ensure that hazardous waste is disposed of in an environmentally responsible manner, preventing any type of pollution.



All manufacturing sites and offices prioritize initiatives aimed at promoting circularity within their operations. In 2025, such initiatives include engagement with new suppliers to enable more efficient recycling of semi-finished products. In the same year, StarragTornos successfully recycled almost 70% of the waste produced at its worldwide facilities.

Operational waste

In tons or %	2025	2024
Total waste	1 359	2 218
Non-hazardous waste	1 249	1 977
Recycling or reuse	889	1 744
Incineration with or without energy recovery	264	198
Landfilling	95	35
Hazardous waste	110	262
Recycling or reuse	39	155
Incineration with or without energy recovery	71	107
Landfilling	<0.5	0
Recycled waste as % of total waste	68%	86%

Notes on methodology

- 2024 figures were restated following updated information provided by two sites.
- In 2024, waste quantities were significantly higher, mainly due to construction works.

StarragTornos machines require the use of substantial quantities of oils and emulsions for their operation. While recycling solutions exist and are widely used by end-users, the Group is working on reducing this consumption and the associated resource outflows. Various tests are being conducted in collaboration with customers to optimize filtration systems, thereby decreasing oil usage and waste directly at client sites.

For details on StarragTornos environmental policies, please refer to the “Environment” chapter.

Services for Machine Longevity and Efficiency

StarragTornos is equally committed to producing reliable machines that can be repaired, modernized, or upgraded throughout their lifespan, thereby minimizing the use of resources. The Group provides comprehensive overhaul and retrofitting services designed to enhance both the performance and sustainability of customers’ equipment. By modernizing older machines through precision

upgrades, software enhancements, and mechanical modifications, StarragTornos helps customers extend the lifespan of their assets while achieving significant cost savings. These services not only improve machine efficiency and productivity but also support sustainability goals by reducing the environmental impact associated with manufacturing new equipment. Retrofitting enables the reuse of existing components, such as steel or cast-iron foundations, and after modernization, machines can operate efficiently for an additional 10–15 years, performing at a level comparable to new units. StarragTornos carries out between 20 and 25 retrofits per year across a wide range of machine types.

In parallel, the pre-owned equipment market—including refurbished machines and peripherals—is another way the Group supports sustainability by extending the life cycle of industrial tools.

In 2025, Starrag Vuadens SA developed specific energy-efficiency services to support the transition to a more sustainable economy. The offering includes assessing machine configurations, upgrading relevant software and technical systems, optimizing settings, and comparing electrical and pneumatic consumption before and after the intervention. The resulting energy report, prepared in line with ISO 14955, provides customers with clear and measurable efficiency gains that help reduce operational impacts.

Customers and End-Users

Complementing its strong customer focus, the Group is progressively integrating digital and data-driven solutions to enhance the user experience, improve machine performance, and support more efficient and sustainable operations.

Relationship with Customers and Commitments for End-User Safety

StarragTornos places customer relationships and satisfaction at the heart of its activities, as described in the Annual Report (pages 9–10). The Group integrates strict quality and safety principles from the earliest design stages, applying ISO 9001 and ISO 12100:2010 standards and other relevant EU directives. These include the Machinery Directive 2006/42/EC, the Electromagnetic Compatibility Directive (EMCD) 2014/30/EU, and the Low Voltage Directive (LVD) 2014/35/EU. Quality experts and



suppliers collaborate closely to evaluate components and final machines, all of which undergo rigorous testing before leaving the factory. In-house software is subject to the same high standards, ensuring reliable and compliant solutions for customers.

Additionally, the Group actively promotes end-user health and safety by integrating advanced safety technologies, including ergonomic design, automated safety systems, and solutions to reduce noise, vibration, and air pollution in the workplace. StarragTornos also supports customer competence and safe operation through comprehensive training programs for machine operators and setters. These courses strengthen productivity, ensure correct and long-lasting equipment use, and reinforce StarragTornos' commitment to strong, long-term customer partnerships.

Digital and Data-Driven Innovation of Products and Services

The potential of digital technologies in machine tools and services is being explored across the Group, including smart data management, intelligent sensors, and connected platforms. These emerging solutions aim to enable real-time monitoring, predictive maintenance, and process optimization, supporting greater efficiency and product quality. Although still at an early stage, these initiatives represent significant opportunities to reduce material and energy consumption, enhance operational performance, and develop new customer-focused services.

In 2025, several digital initiatives were introduced or further developed to this end. These include intuitive graphic-touch human-machine interfaces (HMI) designed to simplify handling and programming, reduce errors, improve operator experience, and increase productivity. Another development implemented on several Group machines is real-time monitoring of machining processes, combined with clear displays of pneumatic and electrical energy consumption, which support performance tracking and the optimization of customers' operational processes.

More information on new Starrag and Tornos products can be found on the respective websites.

Environment



StarragTornos is participating in the transition toward a more responsible industry. The Group is aware of its environmental and climate impacts and is implementing a strategy focused on mitigation and adaptation. In 2025, StarragTornos was able to define decarbonization targets for Scope 1 and 2 emissions. This first step represents an important milestone in the Group's climate strategy, and StarragTornos recognizes the future challenges for further reductions across its value chain.

Based on the StarragTornos double materiality assessment, the environmental aspects focus primarily on the impacts of the company's activities on climate change. The "Resource use and circular economy" topic is addressed in the "Products" chapter. Impacts on water were not considered material for the Group. StarragTornos remains aware of its indirect impacts on biodiversity, particularly through the effects of its emissions across the value chain.

StarragTornos Environmental Policies

The Group's environmental principles are anchored in the Starrag Environmental Policy, the *Tornos Code of Conduct*, and the *Starrag Business Conduct Guidelines*, which together outline expectations regarding climate protection, responsible resource use, and compliance with environmental standards. Environmental Management Systems (EMS) support the implementation of these principles and help monitor and continuously improve environmental performance across the Group. Each site manages its environmental practices in alignment with Group policies, with particular emphasis on efficiency and climate protection. This includes adopting measures that reduce emissions, optimize resource consumption and improve the environmental performance of operations, in particular through the application of Lean practices. In addition to Group

policies, several sites operate under specific national regulatory frameworks. All Swiss facilities are subject to a binding agreement with the Swiss Federal Office for the Environment (FOEN) regarding energy efficiency and CO₂ emissions (Scope 1 and 2). German facilities are regulated by the Water Resource Act (Wasserhaushaltsgesetz—WHG) and comply with the water protection measures outlined in this legislation.

The StarragTornos Code of Conduct for Business Partners sets out the company's expectations for suppliers regarding climate-related and environmental responsibilities, reinforcing the Group's commitment to sustainable practices throughout its ecosystem.

In 2025, two additional manufacturing sites achieved certification under the ISO 14001 Environmental Management standard, bringing the total to three certified sites out of eight.

Climate-Related Risks and Opportunities

Climate Risk Assessment

In line with TCFD recommendations and Swiss climate-reporting legislation, StarragTornos considers the implications of a transition to a low-carbon economy when shaping its future business strategy. In 2025, the



Group updated its 2024 climate risk assessment together with an external partner, with the objective of deepening the analysis of climate-related risks across its twelve production and technical sites located in Europe and Asia. Both physical—such as intensified storms, floods, heatwaves—and transition risks and opportunities—such as policy changes, technological shifts, and market transformations—associated with climate change were examined. While physical risks are already present, they are expected to increase in frequency and intensity in the future, as the effects of climate change become more pronounced. The primary goal of this assessment was to gain a detailed understanding of the most relevant climate-related hazards at critical sites, evaluate the company’s resilience, and identify areas where additional adaptation measures may be required.

Three targeted questionnaires were deployed—geared to manufacturing sites, procurement managers, and sales and product managers—to collect granular information on past and current extreme-weather impacts, supply-chain vulnerabilities, and evolving customer expectations for low-carbon solutions. This structured approach provided a site-by-site view of climate impacts already visible in the Group’s operations. Furthermore, the

company’s vulnerability assessment was informed by Intergovernmental Panel on Climate Change (IPCC) climate scenarios (SSP pathways), specifically a “business-as-usual” scenario projecting approximately +4 °C of warming (SSP5-8.5) and a “high-mitigation” scenario limiting warming to below 2 °C (SSP1-1.9). Climate-related physical risk simulations were carried out using publicly available modelling tools, such as the IPCC WGI Interactive Atlas. The materiality of climate risks was then assessed based on the potential extent of damage and the probability of occurrence.

The climate risk assessment outcomes were communicated to the Executive Board and will be progressively integrated into the Group’s Enterprise Risk Management (ERM) system. At the divisional level, the outcomes were incorporated into SWOT analyses. Regular reviews will be conducted to reflect scientific developments on climate change as well as regulatory updates, evolving economic conditions and operational activities of StarragTornos.

Climate Risk Assessment Outcomes

The results presented in the table below reflect the situation assessed by the Group in 2025 and summarize the main climate-related risks and opportunities identified.

Potential impacts of climate risks for StarragTornos

Category	Sub-category	Evidence today	+4 °C Projection (SSP5-8.5)	<2 °C Projection (SSP1-2.6)	Time horizon
Physical risks	Acute	7/12 sites report storms & hail damage	Storm frequency could double by 2050	Sites may upgrade their construction standards	Mid-long term
	Chronic	6/12 sites report heat stress impacts	Heatwave days projected +30% by 2050	Sites may improve insulation & cooling	Mid-long term
	Supply chain	4/6 procurement managers saw flood/drought delays	Higher-frequency disruptions in EU & Asia	All tier 1 suppliers adopt climate questionnaires	Mid-term
Transition risks	Transition policy	5/8 sales and products respondents worry about new ecodesign regulations	Progressive tightening of ecodesign & carbon regulations expected through 2030	Mandatory ecodesign deadlines enforce 100% product compliance	Mid-term
	Transition market	8/8 respondents confirm ESG or CO ₂ criteria in RFPs	RFP criteria may expand and include tier 2 supply chain emissions	Increasing energy, logistics, and material costs	Short-mid term
Opportunities	Market	6/8 sales & products respondents see a 5–10% price premium for eco-efficient machines & retrofit	Premiums may rise further in heat and flood prone regions as resilience becomes more valuable	Premiums stabilize at around 5–10% as low carbon offerings become mainstream	Short-mid term

Notes on methodology

- +4 °C BAU = SSP5-8.5 (high emissions, ~4 °C warming by 2100).
- <2 °C high-mitigation = SSP1-2.6 (strong mitigation, ~1.8 °C warming by 2100).
- Time-Horizon = TCFD guidance: Short = 0–5 years; Mid = 5–10 years; Long = >10 years



StarragTornos has implemented climate adaptation measures across its sites, including flood protection systems, reinforced building structures, improved thermal insulation, and maintenance of drainage systems and roofs. In the Taiwan region, additional initiatives address typhoon risks, including early-warning systems, use of meteorological data, protective equipment, and employee emergency training. These actions aim to safeguard employees, operations, and assets against physical climate risks. More actions taken by StarragTornos to mitigate identified climate risks and leverage identified opportunities are described in the next sections.

GHG Emissions

The following table presents the GHG emissions for Scopes 1, 2, and 3 for the 2025 financial year, calculated in accordance with the GHG Protocol requirements and verified by an external expertise partner.

CO₂ balance sheet according to GHG protocol

In metric tons of CO ₂ equivalents or %	2025	Share per scope	2024
Scope 1 – Direct greenhouse gas emissions			
Scope 1 emissions	3 929	1.8%	3 568
Scope 2 – Indirect greenhouse gas emissions			
Location-based Scope 2 GHG emissions	2 393	-	3 289
Market-based Scope 2 GHG emissions	2 967	1.3%	4 224
Scope 1 + Scope 2 (location-based)	6 322	-	6 857
Scope 1 + Scope 2 (market-based)	6 896	3.1%	7 792
Scope 3 – Significant greenhouse gas emissions from upstream and downstream value chain			
Total indirect Scope 3 GHG emissions	216 850	96.9%	184 154
Category 1: Purchased goods and services	41 056	18.3%	42 330
Category 2: Capital goods	8 427	3.8%	11 922
Category 3: Fuels and energy-related activities (not included in Scope 1 and 2 emissions)	2 157	1.0%	2 294
Category 4: Upstream transportation and distribution	738	0.3%	532
Category 5: Waste in own operations	799	0.4%	1 205
Category 6: Business travel	3 085	1.4%	3 520
Category 7: Employee commuting	3 019	1.3%	3 402
Category 9: Upstream transportation and distribution	1 438	0.6%	1 340
Category 11: Use of sold products	155 422	69.5%	116 830
Category 12: End-of-life treatment of sold products (e.g. metals and electronics)	382	0.2%	391
Category 13: Downstream leased assets	327	0.1%	390
Total GHG emissions	223 746	100%	191 946
Total GHG emissions intensity			
Net sales (in CHF million)	442.1	-	494.1
GHG intensity ratio (in tons of CO ₂ e per CHF million of net sales)	506	-	388

Notes on methodology

- For further details on the methodology and calculation boundaries, please refer to the Methodological note section.
- The reference year was set to 2024, as it represents the first full year of the Group's existence following the merger.



Scope 1 and 2 greenhouse gas emissions represent approximately 3.1% of StarragTornos' overall GHG impact, while Scope 3 emissions are by far the most significant. These indirect emissions are generated across both the upstream and downstream segments of the Group's value chain. Specifically, StarragTornos' main emissions arise from the procurement of materials and components, as well as the use of machines, which generate indirect emissions through their electricity consumption once in operation. The following sections describe the actions and measures implemented by the company to mitigate its Scope 1, 2, and 3 emissions.

Energy and Climate Change Mitigation

In 2025, the Group's energy consumption reached 33,289 MWh, with renewable sources representing 24.9% of the total. For many years, both divisions have been expanding their own renewable energy infrastructure, including geothermal heating, heat-recovery systems, and extensive solar power production. The site in Vuadens, Switzerland, produces machines with fully carbon-neutral energy. StarragTornos operates approximately 23,000 m² of photovoltaic surface across its sites in Switzerland, Europe, and Asia, representing a total installed capacity of 4,575 kWp. During the reporting year, the Group generated about 4,529 MWh of renewable electricity, a very large proportion of which was consumed by the respective sites themselves. When on-site demand was lower, surplus electricity was fed into the public grid.

In 2025, StarragTornos assessed for the first time various measures to mitigate its corporate carbon footprint, following climate targets, as required by the Federal Act on Climate Protection Targets, Innovation and Strengthening Energy Security (KIG) and the Swiss Climate Protection Ordinance (KIV). The Group has committed to reducing its combined Scope 1 and Scope 2 emissions by 30% by 2030, using 2024 as the baseline year.

Energy consumption and production within the organization

In MWh or %	2025	Share per category	2024
Fuel consumption from coal and coal products	0	0	0
Fuel consumption from crude oil and petroleum products	10 657	32.0	10 609
Fuel consumption from natural gas	4 919	14.8	3 883
Fuel consumption from other fossil sources	0	0	0
Consumption from purchased electricity, heat, or cooling from fossil sources	6 766	20.3	9 292
Total energy consumption from fossil sources	22 342	67.1	23 784
Total energy from nuclear sources	2 664	8.0	2 696
Fuel consumption from renewable sources (including biomass, biofuels, biogas, hydrogen)	5	<0.1	5
Consumption from purchased electricity, heat, or cooling from renewable sources	5 933	17.8	4 866
Consumption of self-generated energy (solar electricity)	2 345	7.0	1 969
Total energy consumption from renewable sources	8 283	24.9	6 840
Total energy consumption from all sources	33 289	100	33 320
Total energy consumption intensity ratio (in MWh per CHF million of net sales)	75.3	-	67.4
Total amount of energy generated (solar electricity)	4 529	-	4 050

Notes on methodology

- Energy data are monitored across all StarragTornos entities using on-site meters and utility invoices. Where statements or consumption reports were unavailable at the time of preparing the Sustainability Report, the values for missing months were estimated based on projections from the preceding months.



StarragTornos 2030 targets

Pillars

Renewable Energy

Efficiency & Autonomy

Investment & Collaboration

To achieve our 2030 goals and strengthen our commitment to a sustainable industry, we will focus on three key pillars with concrete actions.

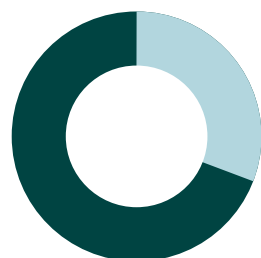
We will continue to promote renewable energy wherever possible across our production sites.

We will drive energy efficiency and increase operational autonomy in our processes.

We will invest and collaborate with local partners to support the development of renewable energy solutions.

Supporting technologies

- Solar panels
- Heat pumps
- Heat recovery
- District heating
- Smart monitoring
- Electric vehicles



Scope 1 + 2

30%

Reduction in absolute GHG emissions from a 2024 base year

Key levers for reducing Scope 1 and 2 emissions include the transition to green electricity and improvements in energy efficiency. In 2025, no dedicated budget was yet allocated for the main decarbonization measures, as the overall transition plan is still under development. Nevertheless, various individual initiatives were implemented through existing budgets, such as modernizing and maintaining production facilities, installing new LED lighting systems in workshop areas and deploying a heat-recovery system at the Rorschacherberg site in Switzerland, the transition from diesel forklifts to electric alternatives, and various smaller efficiency initiatives.

From 2026, the Group will complete its climate transition plan aimed at achieving its near-term targets and reducing its negative impact on climate change (see *StarragTornos material IROs*). The plan will be guided by core principles that support sustainable growth. Particular focus will be placed on the Group's most energy-intensive sites to achieve further improvements in energy efficiency and associated emissions. Depending on each site's specific needs, innovative technologies will be explored to address the challenges of the energy transition. Renovating older buildings will remain a key challenge, while ensuring

sustainable energy sourcing will also be a priority, with the goal of gradually replacing fossil fuels with renewable energy sources.

Climate Change Mitigation in the Value Chain

The majority of emissions in StarragTornos' value chain arise in upstream supplier processes and downstream during the use phase of its machines by customers. In 2025, the Group began identifying potential levers to decarbonize its value chain and reduce its Scope 3 emissions. These efforts include evaluating alternative materials, assessing procurement categories that significantly contribute to CO₂ emissions, collaborating with key suppliers to explore reduction opportunities, and enhancing the energy efficiency of its products.

A transparent and robust data basis is essential for activating the most relevant decarbonization levers. To this end, StarragTornos initiated life cycle assessments (LCAs) in accordance with the ISO 14040 standard within the Starrag division. The insights gained will support future product design aimed at further reducing emissions



and will also be shared with customers to improve transparency and raise awareness of product impacts across the value chain. In addition, energy efficiency measurements in accordance with ISO 14955 have been completed on machines from both the Starrag and Tornos divisions to respond to evolving market opportunities and expectations and to identify effective technological optimizations. These measurements were carried out in collaboration with SIGMAtools GmbH, a recognized expert partner based in Switzerland.

For many years, StarragTornos has contributed to resource efficiency, long service life, and low scrap rates at customers' facilities through a high degree of technological integration, quality, and precision. ECO Mode functions are offered either as an option or as a standard feature, depending on the machine model. In 2025, the Group reached a new milestone in developing more energy-efficient machines with the launch of the new Bumotec 1000C/neo. Compared with the previous generation, this new transfer machine has reduced total energy consumption by 30% and compressed air consumption by 52%, while increasing machining productivity by up to 50%.

StarragTornos has not yet defined quantitative targets for reducing Scope 3 emissions but will continue to make progress in the coming years to establish appropriate reduction objectives.

Social

StarragTornos recognizes that its employees are essential to the company's success. They form the foundation for innovative solutions and services, build strong relationships with customers and suppliers, and drive the organization toward achieving its strategic ambitions.



StarragTornos Workforce

StarragTornos is an international company with subsidiaries in 13 countries. A significant share of its workforce is based in Switzerland and Germany, which together account for nearly 71% of all employees.

Almost 92% of the total workforce consists of direct employees of StarragTornos and its Group companies, while the remaining 8% is made up of external staff, including service contractors, agency temps, interns, and apprentices.

StarragTornos employees

In headcount or % of headcount (end of period)	2025	Share per category	2024
Internal employees			
Employees by division			
Starrag division	1 254	67%	1 396
Tornos division	605	33%	638
Total	1 859	100%	2 034
Total FTEs	1 814	-	1 981
Employees by country or region			
Switzerland	665	36%	702
Germany	654	35%	753
EMEA (excluding CH and DE)	213	12%	227
Asia and Pacific	250	13%	263
Americas	77	4%	89
Employees by gender and age			
Male	1 613	87%	1 756
Female	246	13%	278
Under 30 years of age	299	16%	336
30–50 years of age	897	48%	985
Over 50 years of age	663	36%	713

Employees by employment type			
Full-time employees	1 651	89%	1 869
Part-time employees	208	11%	165
Permanent employees	1 779	96%	1 937
Fixed-term employees	80	4%	97
Employee turnover			
Turnover rate	14.2%	-	8.9%
External employees			
External temporary employees	33	-	36
Interns	14	-	16
Apprentices	114	-	110

Notes on methodology

- Employee numbers do not reflect any seasonal or temporary fluctuations.
- External employees are not included in the share per category.



Policies and Commitments for Own Workforce

Both divisions have established standardized human resources processes, operating procedures, and policies that are used globally and implemented locally in line with international and regional regulations and practices. Most employees are directly supported by a local Human Resources manager. Key performance indicators are monitored at Group, division, and site levels.

StarragTornos is committed to fostering a working environment that promotes mutual engagement, supports employee well-being, and values the diversity of its workforce. These commitments are reflected in internal policies and local employee handbooks, covering workplace conduct and ethics, collective bargaining, working time, vacation and leave, social protection, and remuneration. At all sites with employee representation, the Group collaborates with works councils on collective agreements regarding working conditions. For employees not covered by a collective agreement, the Group's companies offer comparable working conditions.

Both divisions apply fair compensation policies and adjust them locally to reflect cost-of-living fluctuations. Remuneration policies are framed by role evaluations, external expertise, and performance evaluations based on identified skills and shared objectives. In accordance with Art. 13a of the revised Federal Act on Gender Equality (GEA) and the Ordinance on the Evaluation of the Wage Equality Analysis, the three Swiss companies are required to carry out a wage equality analysis between women and men every four years, with independent evaluation. The most recent audits confirmed full compliance with legal requirements.

During major reorganizational changes in the reporting year, the Group fostered the implementation of local mitigation measures to limit potential social impacts, including early retirement, internal mobility, and outplacement services. In the context of economic uncertainty and growing pressures, the Group remains aware of the risks that excessive loss of talent could pose to long-term performance. It therefore strives to remain an attractive employer by emphasizing work-life balance and overall working conditions.

The Group supports its workforce in managing personal and family responsibilities through concrete, locally tailored measures. These include hybrid working guidelines for office-based roles, part-time options, flexible working hours in response to individual circumstances, and extended maternity and paternity leave. Continuous investments are made to improve working conditions across all sites, taking into account the specific challenges of each division.

Employee Health and Safety

StarragTornos is committed to providing and maintaining a working environment that ensures the health and safety of all employees and external visitors. The Group has established a range of dedicated procedures and processes. Beyond compliance with international and regional standards, the core priority is the prevention of injuries: Internal health and safety audits are carried out on a regular basis, and in the event of an incident, root causes are identified and corrective measures implemented.

Health and safety processes are managed locally across facilities, technical centers, and sales offices, with each site appointing a dedicated officer responsible for implementing the local health and safety program. Safety is a recurring topic in regular meetings during which KPIs, risks, and injuries are reviewed and discussed. KPIs are monitored regularly—usually monthly—at the local level, and annually at the divisional and corporate levels. All local health and safety policies are communicated to new employees during their induction. Besides internal audits, the facilities in Switzerland and Germany are regularly audited by official external organizations.

Each facility defines a local action plan, including intensified training and awareness-raising activities to further reduce exposure to work-related health and safety risks. Employees who work with or may come into contact with chemicals and/or hazardous substances receive regular training in their safe handling.

Furthermore, most employees are covered by a health insurance policy and by a life and disability policy, which provides protection in the event of long-term sick leave (more than 90 days). At Group level, all employees are covered by business travel insurance, which includes repatriation assistance worldwide.



Occupational health and safety

In number, days, or %	2025	2024
Number of work-related fatalities	0	0
Number of work-related injuries	51	66
Total lost days due to work-related injuries	801	708
Absence rate due to injuries and illness (%)	4.0%	-

Notes on methodology

- All figures relate to regular and fixed-term employees, except for fatalities, which include all employees, including temporary external employees.
- For details on calculation, please refer to the Methodological Note section.

In the reporting year, no work-related fatalities occurred and the absence rate was approximately 4%, broadly in line with typical rates observed in the manufacturing industry. The Group will continue to focus on maintaining high safety standards for its employees and will pursue preventive initiatives to further improve this rate.

Talent and Development

Employee development and training represent an important opportunity for StarragTornos to maintain a high level of knowledge, skills, and professional behavior across its workforce. The Group thus strives to put in place adequate training and development policies that support employees in strengthening their competencies.

Development opportunities are offered through a wide range of learning formats. These include on-the-job growth, such as job rotations or international assignments. near-the-job learning, including networking exchanges and practice-sharing activities, and off-the-job training, such as seminars focused on technical, methodological, or managerial skills.

Training and talent development

In days per headcount, CHF per headcount, number, or %	2025	2024
Training		
Days of training per employee	0.5	1.3
Costs of training per employee	283	460
Future talent		
Total apprentices, trainees and students	128	126
Graduated apprentices during the year	24	29
Apprentice retention rate	29%	59%

Notes on methodology

- For details on calculation, please refer to the Methodological Note section.

Talent management aims to identify, attract, and promote individuals with the capabilities and potential required to support the Group's strategic objectives. Each division relies on a performance management system, based on clear expectations, regular feedback, and recognition of contributions. This system evaluates both the *what* targets and expected results and the *how*—the behaviors and ways of working—that support long-term performance.

The performance management process includes an annual discussion between employees and their managers to review competencies, performance, and development potential. Continuous dialog throughout the year is encouraged, as open communication helps safeguard critical knowledge, retain essential skills in key positions, and improve succession planning by identifying and preparing promising internal candidates. This approach also facilitates internal mobility, enabling employees to take on new career opportunities in different roles or locations within the Group.

For many years, the Group has been committed to developing the talent of tomorrow. Training apprentices is rooted in the historical DNA of both the Starrag and Tornos divisions. Across its manufacturing facilities and offices, StarragTornos relies on the expertise of many highly qualified specialists in a wide range of roles. Ensuring the transfer of technical skills to new generations is essential for preserving industry knowledge and craftsmanship. To support this objective, the Group offers basic vocational apprenticeships as well as various trainee positions for young people in areas such as production, IT, HR, Controlling, and R&D. These new skills benefit not only the



Group but also the wider industry and the local economic environment.

StarragTornos also maintains partnerships with academic institutions to help train the talents of tomorrow. One example is the Tornos Innovation Challenge, organized jointly with HE-Arc in Neuchâtel (Switzerland), which explores the future of machine tool technologies. This initiative not only fosters innovation within both the company and academia but also helps inspire future career paths in the industry.

Human Rights

StarragTornos Human Rights Commitments

StarragTornos recognizes human rights as the fundamental rights and freedoms to which every individual is entitled. The Group is committed to respecting and promoting these rights across global operations and throughout the value chain.

This commitment is enshrined in internal policies and employee handbooks, which address the human rights issues most relevant to the Group's activities, including child labor, modern slavery and forced labor, non-discrimination, employment practices, freedom of association and collective bargaining, community and land rights, information security and data protection, customer safety, and occupational health and safety. Accordingly, StarragTornos strives to fully comply with international and local regulations, laws, and standards, including the:

- Universal Declaration of Human Rights (UDHR)
- United Nations Global Compact (UNGC)
- Guidelines for Multinational Enterprises from the Organization for Economic Co-operation and Development (OECD)
- Conventions of the International Labor Organization (ILO)
- International Standard for socially responsible corporate governance SA8000
- Dodd-Frank Act on conflict minerals

Child Labor Due Diligence Process

StarragTornos maintains a zero-tolerance policy towards child labor throughout both its operations and its value chain. The Group also fully complies with Art. 964j of the Swiss Code of Obligations for due diligence and reporting obligations related to child labor.

This commitment regarding child labor is enshrined in the Group's policies. In particular, the *StarragTornos Code of Conduct for Business Partners* specifies that suppliers must prohibit all forms of child labor and forced labor within their operations and supply chain and must comply with the applicable national laws or, at a minimum, the ILO core labor standards. The code strictly forbids the employment of individuals under the age of 15 in any capacity and prohibits individuals under the age of 18 from undertaking hazardous work. Suppliers and business partners are required to certify in writing their compliance with the Group's policies and principles in all dealings, activities, products, and services involving StarragTornos. These commitments include respecting human rights, protecting the environment, ensuring workplace safety, and adhering to ethical business practices. Signed agreements are included as standard in all new supply contracts.

The risk of child labor among StarragTornos companies and suppliers located in Switzerland and neighboring countries is considered very low. However, according to the UNICEF Children's Rights in the Workplace Index, a higher risk exists in some European countries, the United States, and several Asian countries where some suppliers operate. In 2025, StarragTornos identified 137 direct suppliers across 5 countries with an enhanced child labor risk. As of 2025, suppliers representing 88% of the PVO procurement volume associated with these suppliers have confirmed their commitment to the principles outlined in the *StarragTornos Code of Conduct for Business Partners*. The remaining newly onboarded suppliers are in the process of signing the Code of Conduct, and StarragTornos is committed to achieving full coverage.

Conflict Minerals Due Diligence Process

StarragTornos manufactures machine tools by sourcing and assembling a wide range of components and parts. Apart from specialized machining activities performed in-house, the Group does not directly purchase raw materials. Nevertheless, the supply chain may include materials with elevated ESG risks, such as conflict minerals and 3TG minerals (tin, tantalum, tungsten, and gold), which can be present in components including electronics, bearings, and cutting tools.

StarragTornos complies with the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDTrO). In accordance with this regulation, the imported



and processed quantities of materials defined by the DDTro were recorded and assessed. StarragTornos does not directly source any of the listed tariff numbers in its own operations.

Beyond compliance with Swiss legislation, the Group is committed to mitigating the environmental and social risks associated with conflict minerals across its value chain. As part of its responsible procurement strategy, the Group's policies—the *StarragTornos Code of Conduct for Business Partners* and the *Purchasing Terms and Conditions*—set out strict requirements for the responsible sourcing of minerals and metals. These requirements apply to all suppliers.

Non-Discrimination

StarragTornos is committed to providing equal opportunities throughout the entire employee experience from hiring to development and advancement. The Group strives to foster an environment in which all employees feel safe, valued, and included.

The commitment to non-discrimination is formalized in the *Tornos Code of Conduct*, the *Starrag Business Conduct Guidelines*, and the employee handbooks. The Group upholds a zero-tolerance policy for discrimination and harassment based on race, religion, color, age, gender, sexual orientation, national origin, or any other discriminatory factor. Employee handbooks issued during onboarding outline the legal and contractual provisions related to non-discrimination and describe the appropriate procedures for reporting any incident. Employees are also encouraged to use the company's whistleblowing system to report any breach, misconduct, or potential harm they observe or become aware of.

Business Conduct



StarragTornos conducts its operations in a highly regulated international environment with complex value chains. Conducting business with integrity, responsibility, and a strong commitment to compliance and ethical behavior is essential for the Group.

Business Policies and Approach to Business Conduct

StarragTornos is committed to ethical business conduct across all levels of the organization and in its relationships with stakeholders. The Group is also committed to fully complying with the laws and regulations of every country in which it operates. Internally, this commitment extends to all aspects of its processes, from expectations regarding workplace conduct to the management of data and information. Business policies have been established to prevent risks from unethical practices within the company's operations and throughout its value chain.

Policies Related to Business Conduct

The core principles of conduct at StarragTornos are outlined in the *Starrag Business Conduct Guidelines*, the *Tornos Code of Conduct*, and the *StarragTornos Code of Conduct for Business Partners*. These policies, approved by the Board of Directors, reflect the Group's commitment to business ethics and compliance, and provide clear directives on preventing corruption, upholding human rights, and protecting the environment. These documents are available on the internet, intranet, or another format to all employees and external stakeholders. StarragTornos expects all employees, suppliers, and business partners to adhere to these guidelines.

The *StarragTornos Code of Conduct for Business Partners* defines the basic principles for suppliers' conduct. It covers compliance with international laws, regulations, and standards, addressing conflicts of interest, anti-competition practices, and commitments to social and environmental responsibility. Key topics include any forms

of corruption, human rights, non-discrimination, and safety in the workplace. The code applies to all suppliers and sub-suppliers that provide products and services to StarragTornos and all its companies. In addition, the *Starrag Business Conduct Guidelines* and the *Tornos Code of Conduct* set out the company's expectations regarding ethics and integrity in the workplace and in interactions with all internal and external stakeholders.

StarragTornos adopts a zero-tolerance policy toward corruption and other criminal acts. Non-compliance with internal policies by employees may result in disciplinary measures, up to and including termination of employment. Similarly, collaborations and commercial contracts may be terminated in cases of non-compliance with Group's values and commitments.

Compliance Management

The CFO is responsible for overseeing compliance matters across the Group, ensuring that all parties uphold the highest standards of integrity and responsible conduct. The CFO reports directly to the CEO and the Board of Directors on these topics.

The Corporate Sustainability Manager plays a key role in monitoring ESG-related regulations and emerging requirements. In addition, compliance monitoring related to products or any other business practices is carried out within the respective business units, ensuring that regional and national regulations are considered in all countries where the Group operates.



Whistleblowing System

To prevent and mitigate the risks of breaches and non-compliance, StarragTornos has implemented a whistleblowing system to ensure that reported violations of laws or internal policies may be handled professionally. The system is operated by an external law firm and safeguards the anonymity of the reporter. Employees, external business partners, and any third party can report a concern via an email address listed in the policies. Employees can also report a concern to their line manager or their local HR function. StarragTornos does not tolerate any form of retaliatory action against any employee who, in good faith, reports a suspected violation of its codes of conduct or internal policies.

At the end of 2025, no non-compliance issues had been reported through the whistleblowing system or any other channel. Additionally, there were no legal proceedings pending against the company.

Management of Supplier Relationships

Procurement Strategy and Governance

All StarragTornos machines are manufactured in the Group's facilities located in Switzerland, Germany, France, Italy, China, and the Taiwan region. Additionally, some refurbishment activities of used machines for resale are performed in Poland. In 2025, the Group purchased from more than 2,950 direct material suppliers. Based on the amount spent, 43% of direct materials were purchased in Switzerland, 34% in Germany, 8% in Europe (excluding Germany and Switzerland), 14% in the Asia/Pacific region, and 1% from North America.

StarragTornos prioritizes the development of long-term, trust-based relationships with its business partners, fostering mutual success, collaboration, and innovation. Most key suppliers have been part of the Group ecosystem for over five or even 10 years, reflecting the depth and stability of these relationships. These partnerships are grounded in fairness, ethical and compliant practices, transparent dealings, and respect for agreements.

The Group's relationships with suppliers are guided by the *StarragTornos Code of Conduct for Business Partners* and the *StarragTornos Group Purchasing Terms and Conditions*, both of which suppliers are required to adhere to. Beyond these expectations, the Group actively

engages in collaborative initiatives with suppliers for the development of new components, supporting the ambition to deliver higher-performing and more efficient machines. Quality, performance and compliance audits are systematically conducted for all new suppliers and regularly performed for key partners to ensure adherence to the Group's standards and expectations.

The Corporate Chief Procurement Officer (CPO) is responsible for the Group's global procurement strategy and defines its objectives in alignment with the Executive Board. The aim is to promote partnership-based collaboration through clear rules, reduce organizational and legal uncertainties, and enhance the Group's competitiveness at an optimized cost through a rational and effective purchasing organization. The strategy is implemented in close collaboration with local Purchasing departments to ensure alignment with regional specificities and operational realities. In 2025, strategic priorities included the harmonization of commodity groups and key-suppliers across the two divisions, and compliance with transitional regulations, such as the new rules governing fluorinated gases.

Payment Practices

StarragTornos upholds fair and transparent payment practices across the Group. Suppliers are remunerated promptly according to agreed payment terms, with the aim of promoting financial reliability and trust throughout the supply chain. Standard payment is made within 60 days from the invoice date, unless otherwise agreed in writing, in line with the *StarragTornos Group Purchasing Terms and Conditions*. Invoices must be correct and complete, referencing the relevant purchase order and contract. Payments are processed after verification of delivery, quality, and contractual compliance, with any discrepancies addressed before release.

Responsible Data Management

In an increasingly digital business environment, StarragTornos implements appropriate measures to comply with cybersecurity and data protection requirements, safeguarding personal and sensitive information while ensuring secure and reliable operations.

Protecting Information

StarragTornos takes proactive measures to protect its information systems, confidential information, and



intellectual property, as well as those of its customers, suppliers, and other business partners. The objective of information security is to protect all data handled by the Group throughout its lifecycle, from creation to destruction. Particular attention is paid to R&D-related information, patents, design plans, process documentation, and sensitive customer data. Information security also supports compliance with legal and contractual requirements, industry standards, and internal policies, while enabling secure business operations and digital transformation.

Awareness of information and corporate security is essential to minimize risks. Regular training sessions are therefore mandatory for all employees and coordinated by the IT departments of each division. In 2025, Starrag AG obtained ISO 27001 certification for its Information Security Management System (ISMS).

In addition, StarragTornos is preparing for upcoming European cybersecurity regulations applicable to connected products, including the EU Cyber Resilience Act (CRA). Cybersecurity considerations are integrated into the design and development of machines and digital solutions, with a focus on secure-by-design principles, software integrity, and cyber risk management across the product lifecycle, enhancing machine resilience and protecting customers' operations and industrial data.

Protection of Personal Data

Data protection is a key element of StarragTornos' compliance with local and international data protection laws, including the new Federal Act on Data Protection (nFADP) and the European General Data Protection Regulation (GDPR). Each division has implemented governance structures and programs to protect personal data and address the expectations of employees, customers, suppliers, and business partners. This governance is supported by designated Data Protection Officer (DPO) roles at divisional or local level, acting as contact points for supervisory authorities and stakeholders.



Methodological Note

Environmental Performance Data

StarragTornos' environmental data monitoring and reporting includes energy consumption, greenhouse gas (GHG) emissions, and waste disposal. Comprehensive environmental data are collected from all production sites, technical centers, and major (with more than 15 employees) sales and services offices. Environmental data from smaller offices are minimal in comparison to the overall company's consumption and emissions, and are not included in the reported environmental data. Environmental data were compiled by individual business entities in a consistent and comparable manner, from January 1, 2025 to December 31, 2025. A validity check was performed to review the database for incorrect entries. Current data are collected whenever possible and are only estimated if data collection is not feasible, for example, due to the decentralized organizational structure of some entities operating in rented facilities or when specific figures are unavailable.

Energy

The total energy consumption figures encompass both company-owned and leased assets. Data are sourced from on-site meters and utility invoices. Energy consumption is reported as net energy consumption, excluding any electricity sold. To ensure the annual report is published on schedule, December energy consumption and electricity production data were estimated for certain sites, based on the average of the first 11 months of the year.

GHG Emissions

The methodology and reporting for the carbon footprint are based on the Greenhouse Gas (GHG) Protocol. The recording of GHG emissions from StarragTornos' activities include all seven GHG covered by the Kyoto Protocol. All emissions are expressed in CO₂-equivalents (CO₂e). The emission factors are based on the IPCC Sixth Assessment Report (AR6). To estimate the emissions, activity-based and monetary emission factors were taken from different

databases, including Ecoinvent v3.10, exiobase v3 and the Base Carbone v23 (ADEME). StarragTornos differentiates between direct GHG emissions (Scope 1) deriving from the combustion of fossil fuels (heating, company vehicles) and the fugitive emissions of fluorinated gas from building cooling systems; indirect GHG emissions (Scope 2) from sources like using electricity or district heating; and indirect emissions (Scope 3) that arise from the entire value chain.

Scope 1 and 2 emissions

Scope 1 and Scope 2 emissions calculations are based on site-specific data for fuel consumption and utilities purchased, with the exception of Scope 1 fugitive emissions, which were estimated using industrial benchmarks. The company calculates Scope 2 GHG emissions using the location- and market-based methods. For the market-based approach, emission factors are derived from supplier-specific data when available. Where supplier-specific data for the reporting year is not yet available, the company uses the most recent supplier-specific data as a proxy. Where supplier-specific data is not available at all, residual electricity mix emission factors are applied in accordance with the GHG Protocol. For the location-based approach, grid-average emission factors are used. The Scope 1 and Scope 2 boundaries encompass both owned and leased assets under the operational control approach.

Scope 3 emissions

Out of the 15 Scope 3 categories outlined by the GHG Protocol, 11 are applicable to StarragTornos. Those estimated as not material or not applicable are emissions from upstream leased assets (cat. 8), processing of sold products (cat. 10), franchises (cat. 14), and financial investments (cat. 15). Scope 3 emissions data were calculated using a combination of methods for each category, as prescribed by the GHG Protocol.



Scope 3 emissions calculation methodology

Category	Data taken into account	Assumptions
1. Purchased goods and services	<ul style="list-style-type: none"> Purchase volumes of direct goods and operational materials for each material group (e.g., metallic machined parts, housings, electronics, motors, peripherals) Chemical products Marketing and cleaning services Office supplies and meals in company restaurant 	<ul style="list-style-type: none"> Spend-based emission factors based on the share of material categories within each material group (80% of total purchase volume) Extrapolation of the remaining 20% purchase volumes using an average spend-based emission factor Low impact emissions (office supplies, meals) extrapolated from the number of employees (FTE) and the 2023 data collection
2. Capital goods	<ul style="list-style-type: none"> IT (hardware, software, cloud services) Buildings and operation equipment 	<ul style="list-style-type: none"> Spend-based emission factors
3. Fuel and energy-related activities	<ul style="list-style-type: none"> Emissions from purchased fuel and energy, not included in Scope 1 and Scope 2 	-
4. Upstream transportation and distribution	<ul style="list-style-type: none"> Weight and mode of transport of imports to StarragTornos companies Distance between the StarragTornos entity and the supplier country Weight and mode of transport for machines and sub-assemblies between StarragTornos companies 	<ul style="list-style-type: none"> Mode of transport estimated from distance (<2,000 km: road transport; >2,000km: maritime transport) Single (principal) transportation mode Average monetary emission factors estimated using the Tornos division purchase volume and applied to the total purchase volume
5. Waste generated in operations	<ul style="list-style-type: none"> Weight and type of waste Waste disposal methods (recycling, incineration, or landfilling) Discharged wastewater 	<ul style="list-style-type: none"> Figures, quantities, and disposal type from invoices; estimated or based on local waste practices where detailed invoices are unavailable
6. Business trips	<ul style="list-style-type: none"> Air travel Rental cars, train travel Accommodations 	<ul style="list-style-type: none"> Emissions extrapolated from the number of employees (FTE) and the 2023 data collection
7. Commuting	<ul style="list-style-type: none"> Data on employees' journeys to and from work collected via a 2023 voluntary survey at selected StarragTornos companies 	<ul style="list-style-type: none"> Emissions extrapolated from the number of employees (FTE)
9. Downstream transportation	<ul style="list-style-type: none"> Weight and mode of transport for machines from StarragTornos companies to customer companies Transport of spare parts from StarragTornos to customer companies 	<ul style="list-style-type: none"> Distance between StarragTornos companies and supplier countries Mode of transport estimated from distance (<2,000 km: road transport; >2,000km: maritime transport) Single (principal) transportation mode Extrapolation of spare parts transportation emissions from machines transportation emissions
11. Use of sold products	<ul style="list-style-type: none"> Electricity consumption of machines over their entire lifespan Electricity mix of the supplier country Total number of sold machines, including retrofitted machines 	<ul style="list-style-type: none"> Average machining power per machine type Average lifespan of 15 years, with a total of 60,000 operating hours. Electricity impact factor, based on each country's electricity mix and adjusted by 0.8 to account for expected decarbonization over the next 15 years (source: International Energy Agency)
12. End-of-life treatment of sold products	<ul style="list-style-type: none"> Weight of products sold and associated recycling treatment 	<ul style="list-style-type: none"> Extrapolation of emissions from category 3.1 emissions, based on industry analysis by external experts
13. Downstream leased assets	<ul style="list-style-type: none"> Rent surfaces 	<ul style="list-style-type: none"> Extrapolation of emissions based on the ratio of leased to occupied floor area



Waste

Total waste production figures cover waste generated from StarragTornos' own operations. Waste is classified by type (hazardous and non-hazardous) and by disposal route (recycling or reuse, incineration with or without energy recovery, and landfilling). The inventory includes waste from production activities, renovation and maintenance works, offices, and on-site restaurants. The classification of hazardous waste is based on the DETEC (Federal Department of the Environment, Transport, Energy and Communications) Ordinance on Lists for the Movement of Waste (SR 814.610.1). A waste inventory was conducted from January 1, 2025 to December 15, 2025.

Social Performance Data

Employee data figures cover all StarragTornos sites and operations around the world. Monitoring and reporting is based on headcount and full-time equivalent (FTE).

Employees

StarragTornos own workforce refers to direct employees with a standard contract, which can be unlimited (permanent employees) or limited for a defined period (fixed-term employees). External employees include temporary staff (e.g. agency temps, consultants), apprentices, and interns.

The employee turnover rate is the percentage of direct employees who left StarragTornos during the calendar year, calculated by dividing the number of departures by the average headcount in the previous calendar year.

The disclosure of training costs is based on the total expenditure for external training.

Occupational Health and Safety

Occupational health and safety figures are reported for regular employees, with either a permanent or fixed-term contract. Work-related injuries include all incidents recorded in the Group's internal system, without distinction between minor injuries and those resulting in time off work. Lost days refer to working days, not calendar days, starting from the first working day the employee is unable to work.

The absence rate is calculated as the total number of hours lost due to injuries and illness (work- and non-work-related cases), expressed as a percentage of the total hours actually worked by all employees during the reporting period.



Appendix

Swiss Code of Obligations (Art. 964) Content Index

The 2025 Sustainability Report was produced in accordance with Art. 964a and seq. of the Swiss Code of Obligations (CO). It was approved by the Board of Directors on March 13, 2026, and will be presented for approval at the Ordinary General Meeting on April 17, 2026. In accordance with Article 964c CO, a shareholder vote on the Sustainability Report is required.

In accordance with Article 964b of the Swiss Code of Obligations, the table below presents the non-financial topics addressed in this report. While Article 964b does not prescribe a specific methodology for identifying material topics, StarragTornos applied an ESRS-aligned double materiality assessment (DMA) to identify the topics considered material from an impact and/or financial perspective. The table is intended to help readers locate the relevant disclosures throughout the report related to environmental, social and employee-related matters, as well as respect for human rights and the prevention of corruption, as required under the Swiss Code of Obligations.

AR = Annual Report 2025

Category	Disclosure topic	Location in Sustainability Report	Other location
1	General requirements		
1-1	Governance	The Role of the Administrative, Management, and Supervisory Bodies	AR: Corporate Governance
1-2	Corporate business model	StarragTornos Value Chain	AR: Strategy Report
1-3	Materiality assessment	Interests and Views of Stakeholders Impacts, Risks, and Opportunities Management	
1-4	Sustainability strategy	Sustainability Governance and Strategy Strategy Framework	
1-5	Business policies (incl. due diligence)	Business Policies and Approach to Business Conduct StarragTornos Environmental Policies Policies and Commitments for Own Workforce	
1-6	Measures and performance indicators	See sections below in the index GRI Content Index	
1-7a	Risk management		AR: Corporate Governance / Board of Directors
1-7b	Climate-related risks	Climate-Related Risks and Opportunities	
1-8	References to national, European or international regulations	About This Report	
1-9	Coverage of subsidiaries	Methodological Note	



2	Environment	
2-1	Energy	Energy and Climate Change Mitigation
2-2	Greenhouse gas (GHG) emissions	GHG Emissions Energy and Climate Change Mitigation Climate Change Mitigation in the Value Chain
2-3	Material resources and waste	Resource Use and Circular Economy
3	Social	
3-1	Customer safety	Customers and End-Users
3-2	Responsible business relationships	Customers and End-Users Management of Supplier Relationships
3-3	Data protection	Responsible Data Management
4	Employees	
4-1	Working conditions	Policies and Commitments for Own Workforce
4-2	Occupational health and safety	Employee Health and Safety
4-3	Training and skills development	Talent and Development
5	Human rights	
5-1	Human rights risks	Human Rights
5-2	Due diligence processes	Human Rights
6	Anti-corruption	
6-1	Anti-corruption policies and measures	Business Policies and Approach to Business Conduct Management of Supplier Relationships
6-2	Compliance and internal control mechanisms	Business Policies and Approach to Business Conduct

StarragTornos is exempted from the Swiss Code of Obligation Art. 964j Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor. A process to annually review potential purchases of minerals and metals from conflicted areas is established.

StarragTornos complies with the Swiss Code of Obligation Art. 964j for due diligence and reporting obligations to child labor.



TCFD Content Index

StarragTornos has adopted the TCFD framework to report on its climate-related risks and opportunities, according to the Swiss Climate Ordinance (Art. 964a–c of the Swiss Code of Obligations). Over the next year, the company will continue to advance in the analysis, management, and reporting of these risks and opportunities.

TCFD Disclosure	TCFD code	Disclosure description	Disclosed
Governance	TCFD-GOV-a	Describe the Board's oversight of climate-related risks and opportunities	The role of the Administrative, Management, and Supervisory bodies
	TCFD-GOV-b	Describe management's role in assessing and managing climate-related risks and opportunities	Climate-Related Risks and Opportunities / Climate Risk Assessment
Strategy	TCFD-STR-a	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Climate-Related Risks and Opportunities / Climate Risk Assessment Outcomes
	TCFD-STR-b	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Climate-Related Risks and Opportunities / Climate Risk Assessment Outcomes
	TCFD-STR-c	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario	Climate-Related Risks and Opportunities / Climate Risk Assessment Outcomes
Risk management	TCFD-RMA-a	Describe the organization's processes for identifying and assessing climate-related risks	Climate-Related Risks and Opportunities / Climate Risk Assessment
	TCFD-RMA-b	Describe the organization's processes for managing climate-related risks	Climate-Related Risks and Opportunities / Climate Risk Assessment
	TCFD-RMA-c	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management	Climate-Related Risks and Opportunities / Climate Risk Assessment
Metrics and targets	TCFD-MET-a	Disclose the metrics used by the organization to assess climate-related risks and opportunities according to its strategy and risk management process	Climate-Related Risks and Opportunities GHG Emissions Energy and Climate Change Mitigation
	TCFD-MET-b	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	GHG Emissions
	TCFD-MET-c	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	No specific targets have been defined to date



GRI Content Index

StarragTornos has reported the information cited in this GRI content index from January 1 to December 31, 2025, with reference to the GRI standards.

All references listed below are included in the 2025 Sustainability Report, unless otherwise indicated.

AR = Annual Report 2025

GRI Standard (year)	Disclosure	Reference	Reason for omission and explanation
GRI 1 (2021)	Foundation		
GRI 2 (2021)	General Disclosures		
The Organization and its reporting practices			
2-1	Organizational details	AR: Strategy Report AR: StarragTornos Worldwide	
2-2	Entities included in the organization's sustainability reporting	AR: Corporate Governance Methodological Note	
2-3	Reporting period, frequency, and contact point	About This Report Methodological Note	
2-4	Restatements of information	Methodological Note	
2-5	External assurance	AR: Financial Report / Report of the Statutory Auditor	
Activities and workers			
2-6	Activities, value chain, and other business relationships	AR: Strategy Report StarragTornos Value Chain	
2-7	Employees	StarragTornos Workforce	GRI 2-7-b: Information not disclosed, breakdown by gender and region
2-8	Workers who are not employees	StarragTornos Workforce	GRI 2-8-a: External employees are not included in the calculation of company turnover.
Governance			
2-9	Governance structure and composition	AR: Corporate Governance	
2-10	Nomination and selection of the highest governance body	AR: Corporate Governance	
2-11	Chair of the highest governance body	AR: Corporate Governance	
2-12	Role of the highest governance body in overseeing the management of impacts	The Role of the Administrative, Management, and Supervisory Bodies	
2-13	Delegation of responsibility for managing impacts	The Role of the Administrative, Management, and Supervisory Bodies	
2-14	Role of the highest governance body in sustainability reporting	The Role of the Administrative, Management, and Supervisory Bodies	
2-15	Conflicts of interest	AR: Corporate Governance	
2-16	Communication of critical concerns		The Board of Directors has not been informed of any grievance cases during the reporting year.
2-17	Collective knowledge of the highest governance body	The Role of the Administrative, Management, and Supervisory Bodies	
2-18	Evaluation of the performance of the highest governance body		Information not available—The Board of Directors of StarragTornos Group has not yet implemented any self-evaluation regarding the company's ESG advancements.
2-19	Remuneration policies	AR: Remuneration Report	
2-20	Process to determine remuneration	AR: Remuneration Report	



2-21	Annual total compensation ratio	Confidential information
Strategy, policies, and practices		
2-22	Statement on sustainable development strategy	Message from the CEO and the CFO Sustainability Governance and Strategy Strategy Framework
2-23	Policy commitments	Sustainability Governance and Strategy Strategy Framework Business Policies and Approach to Business Conduct
2-24	Embedding policy commitments	Business Policies and Approach to Business Conduct Human Rights
2-25	Processes to remediate negative impacts	Business Policies and Approach to Business Conduct Human Rights
2-26	Mechanisms for seeking advice and raising concerns	Business Policies and Approach to Business Conduct
2-27	Compliance with laws and regulations	Business Policies and Approach to Business Conduct
2-28	Membership associations	AR: Corporate Governance
Approach to stakeholder engagement		
2-29	Approach to stakeholder engagement	Interests and Views of Stakeholders
2-30	Collective bargaining agreements	Information not yet available from all subsidiaries due to the recent merger
GRI 3 (2021)	Material topics	
3-1	Process to determine material topics	Impacts, Risks, and Opportunities Management
3-2	List of material topics	Impacts, Risks, and Opportunities Management
3-3	Management of material topics	See sections below
Material topics (Focus area) with GRI topic standard		
Climate change		
GRI 302 (2016)	Use of energy in daily operations	
302-1	Energy consumption within the organization	Energy and Climate Change Mitigation
302-3	Energy intensity	Energy and Climate Change Mitigation
302-4	Reduction of energy consumption	Energy and Climate Change Mitigation
GRI 302 (2016)	Gaps in energy efficiency	
302-4	Energy reductions from efficiency measures	Energy and Climate Change Mitigation
GRI 302 (2016)	Investments in renewable energy	
302-1	Share of renewable energy	Energy and Climate Change Mitigation
GRI 305 (2016)	GHG emissions—raw materials & components	
305-3	Scope 3 emissions (purchased goods and services)	GHG Emissions Climate Change Mitigation in the Value Chain
GRI 305 (2016)	GHG emissions—use of sold products	



305-3	Scope 3 emissions (use of sold products)	GHG Emissions Climate Change Mitigation in the Value Chain	
GRI 305 (2016)	Climate change mitigation		
305-1	Energy reductions from efficiency measures	GHG Emissions Energy and Climate Change Mitigation	
305-2	Scope 2 GHG emissions	GHG Emissions Energy and Climate Change Mitigation	
305-5	Reduction of GHG emissions	Energy and Climate Change Mitigation Climate Change Mitigation in the Value Chain	
GRI 201 (2016)	Acute physical climate risks		
201-2	Financial implications and other risks and opportunities due to climate change	Climate-Related Risks and Opportunities	Information not available—Financial related figures not evaluated
GRI 204 (2016)	Supply chain disruption risks	Climate-Related Risks and Opportunities	
204-1	Procurement practices and risk management	Climate-Related Risks and Opportunities Management of Supplier Relationships Climate Change Mitigation in the Value Chain	
Resource use and circular economy			
GRI 301 (2016)	Consumption of natural resources		
301-1	Materials used by weight or volume	Resource Use and Circular Economy	Information not yet centralized at the corporate level
301-2	Recycled input materials used	Resource Use and Circular Economy	Information not yet centralized at the corporate level
GRI 306 (2020)	Waste in own operations and value chain		
306-3	Waste generated	Resource Use and Circular Economy	
306-4	Waste diverted from disposal	Resource Use and Circular Economy	
306-5	Waste directed to disposal	Resource Use and Circular Economy	
Own workforce			
GRI 401 (2016)	Work-life balance policies		
401-2	Benefits and work-life balance practices	Policies and Commitments for Own Workforce	
GRI 403 (2016)	Occupational health and safety		
403-2	Hazard identification, risk assessment, and incident investigation	Employee Health and Safety	
403-5	Worker training on occupational health and safety	Employee Health and Safety	
403-9	Work-related injuries	Employee Health and Safety	GRI 403-9a–d: limited or unavailable information on non-employees as these KPIs have not yet been centralized across all subsidiaries
403-10	Work-related ill health	Employee Health and Safety	GRI 403-9a–d: limited or unavailable information on non-employees as these KPIs have not yet been centralized across all subsidiaries
GRI 401 (2016)	Workforce stability		



401-1	Employee turnover	StarragTornos Workforce	
GRI 404 (2016)	Developing future talent		
404-2	Skills development programs	Talent and Development	
GRI 404 (2016)	Continuous skills development		
404-1	Training hours per employee	Talent and Development	
Workforce in the supply chain			
GRI 408 (2016)	Child labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights	
GRI 409 (2016)	Forced or Compulsory Labor	Human Rights	
409-1	Operations and suppliers at significant risk for incidents of forced labor	Human Rights	
GRI 414 (2016)	Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Human Rights Management of Supplier Relationships	
414-2	Negative social impacts in the supply chain and actions taken	Human Rights Business Policies and Approach to Business Conduct	
GRI 204 (2016)	Procurement Practices		
204-1	Proportion of spending on local suppliers	Management of Supplier Relationships	
Customers and end-users			
GRI 418 (2016)	Relationship with customers		
418-1	Customer privacy complaints	Customers and End-Users	
GRI 203 (2016)	Digital and data-driven innovation		
203-2	Indirect economic impacts	Customers and End-Users	
GRI 416 (2016)	Commitment to end-user safety		
416-1	Product health and safety	Customers and End-Users	
416-2	Incidents of non-compliance		In 2025, no incidents of non-compliance were reported.
Business conduct			
GRI 205 (2016)	Corporate values and policies		
205-1	Corruption risk assessment	Business Policies and Approach to Business Conduct	
205-3	Confirmed incidents of corruption	Business Policies and Approach to Business Conduct	
GRI 204 (2016)	Supplier relationship		
204-1	Proportion of spending on local suppliers	Management of Supplier Relationships	
GRI 419	Compliance-related transition risks		
419-1	Non-compliance with laws and regulations	Business Policies and Approach to Business Conduct Responsible Data Management	
Non-material topics			
Data security and safety			
GRI 418 (2016)	Customer privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Responsible Data Management	In 2025, no complaints from external parties regarding customer privacy were recorded.



Glossary

CO	Swiss Code of Obligations
CO ₂ e	CO ₂ equivalent
CRA	Cyber Resilience Act (EU)
DDTrO	Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour
DETEC	Federal Department of the Environment, Transport, Energy and Communications
DMA	Double materiality analysis
DPO	Data Privacy Officer
EMCD	Electromagnetic Compatibility Directive (2014/30/EU)
EMS	Environment management system
ESG	Environment Social Governance
ESRS	European Sustainability Reporting Standards
FTE	Full-time equivalent
GDPR	General Data Protection Regulation
GEA	Gender Equality Act
GHG	Greenhouse gas
GRI	Global Reporting Initiative – an NGO that produces the most widely used sustainability reporting standards in the world (GRI Standards)
HMI	Human-machine interface
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
IROs	Impacts, risks, and opportunities
ISMS	Information security management system
ISO	International Standard Organization
KIG	Federal Act on Climate Protection Targets, Innovation and Strengthening Energy Security (“Klima- und Innovationsgesetz”)
KIV	Climate Protection Ordinance (“Klimaschutz-Verordnung”)
KPI	Key performance indicator
kWh	Kilowatt hour
kWp	Kilowatt peak
LCA	Life cycle analysis
Lean	Systematic approach to optimizing efficiency by minimizing waste and maximizing value for the customer
LVD	Low Voltage Directive (2014/35/EU)
MaaS	Machine as a service
MEM	Machinery, electrical engineering and metals
MWh	Megawatt hour
nFADP	New Federal Act on Data Protection
OECD	Organisation for Economic Co-operation and Development
PVO	Procurement volume of orders or purchase volume
REACH	EU Regulation (EC 1907/2006) on Registration, Evaluation, Authorization and Restriction on Chemicals
RFP	Request for proposal
RoHS	Restriction of Hazardous Substances—EU Directive 2015/863
SA 8000	International standard from Social Accountability International (SAI) for the improvement of working conditions
SDGs	Sustainable Development Goals of the United Nations
SSP	Shared Socioeconomic Pathways
Swissmem	Association for Switzerland's mechanical and electrical engineering industries (MEM industries) and related technology-oriented sectors
TCFD	Task Force on Climate-Related Financial Disclosures
UDHR	Universal Declaration of Human Rights
UNGC	United Nations Global Compact
UNICEF	United Nations International Children's Emergency Fund
VDMA	Verband Deutscher Maschinen- und Anlagenbau e. V. (German Mechanical Engineering Industry Association)
VDW	Verein Deutscher Werkzeugmaschinenfabriken (German machine tool builders' association)
WEEE	Waste electrical and electronic equipment
WHG	Wasserhaushaltsgesetz (Water Resource Act)
3TG	Tin, Tantalum, Tungsten, Gold