



Reliable Connections



# Sustainability Report 2022

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Measuring seven key strategic targets, we share our 2022 results.





2022 marks the third year since we started the corporate initiative for Sustainability, focused on minimizing negative impacts on the environment and maximizing positive impacts on our people and in the communities where we operate.

In this past year, we reached a few remarkable milestones. We completed our first double materiality assessment, determining the most relevant topics based on impact on society and environment as well as impact on financial value. With this as our guide, we are in the process of setting priorities, goals and targets for both the short and medium term. The results of the assessment can be found in the [materiality matrix pages of this report](#).

Another first is aligning this year's report with the Global Reporting Initiative (GRI) standards. Many of the metrics reported in this year's report are disclosed for the first time in the spirit of 'what is measured, is managed'.

Our disclosure particularly in the area of advancing social issues, shows our commitment to our employees through Diversity, Equality and Inclusion and Training and Education.

Finally, we have made significant investments to reduce our carbon footprint, mainly through the installation of solar panels at four of our manufacturing sites globally. We are still in the process of completing two of these projects.

However, in the meantime, we have managed to reduce both electricity consumption and the associated carbon emissions. As electricity accounts for around 75% of own emissions (Scope 1 and Scope 2), this is notable progress.

Looking ahead, measuring full Scope 3 emissions is a challenge to be undertaken in the next 6-12 months. Additionally, we have work to do to address the highest priority topic: raw material usage. We are reliant on the major steel suppliers to invest in cleaner electricity and to increase supply of 'green steel' with margin preservation. While we wait for these industries to further develop their offering, we will optimize our raw material usage as much as possible to minimize impact.

*We take a long-term perspective when it comes to managing our business and our sustainable development strategy. Progress is incremental, and forward-looking. I am pleased with the direction we are heading - steady advancement towards net zero.*



Dr. Thomas Meier-Bickel, CEO Oetiker Group





# About Oetiker

Oetiker is a privately-held family-owned global leader in high-performing connecting and assembly solutions for automotive, commercial and industrial markets. Its global headquarters in Horgen, Switzerland, is where Hans Oetiker founded the company more than 80 years ago.

Global customers rely on the over 2 billion Oetiker clamps, straps, rings and quick connectors produced annually. *Peace of mind from Reliable Connections* is our purpose across all our markets and industries.

Oetiker's mission-critical products are featured on virtually every vehicle manufactured. We are a trusted partner of OEMs and Tier One suppliers because of a unique blend of proven quality, dedicated support and experience and expertise.

## Markets & Industries



Passenger Vehicles



Electric Vehicles



Aftermarket



Commercial & Industrial Vehicles



Appliances



Plumbing



Irrigation



Medical



Food & Beverage

## Services

### 360° Solution Approach

Integrated connecting, assembly and global engineering services



#### Connecting Solutions

Oetiker is the leader in high-end clamps, rings, straps and quick connectors for a wide range of mobility and industrial applications.



#### Assembly Solutions

Design and work cell integration of mechatronic power tool systems, pneumatic pincers, swaging devices and testing equipment.



#### Global Services

Technical analysis and application engineers manage projects from consulting, testing/validation, commissioning, training and maintenance.

Our Products

As the original inventor of the ear clamp, Oetiker established itself as the global leader in *connecting technologies* with a wide array of products.



Clamps & Rings

Ear clamps, low profile clamps, worm drive and universal clamps, multi crimp clamps, strap clamps, V-clamps, color coded ID clamps.



Straps

Heavy duty straps available in variety of standardized and custom band materials and components.



Quick Connectors

Reliable, compact and high performing sealing solutions with tool-free assembly.



Assembly & Disassembly Tools

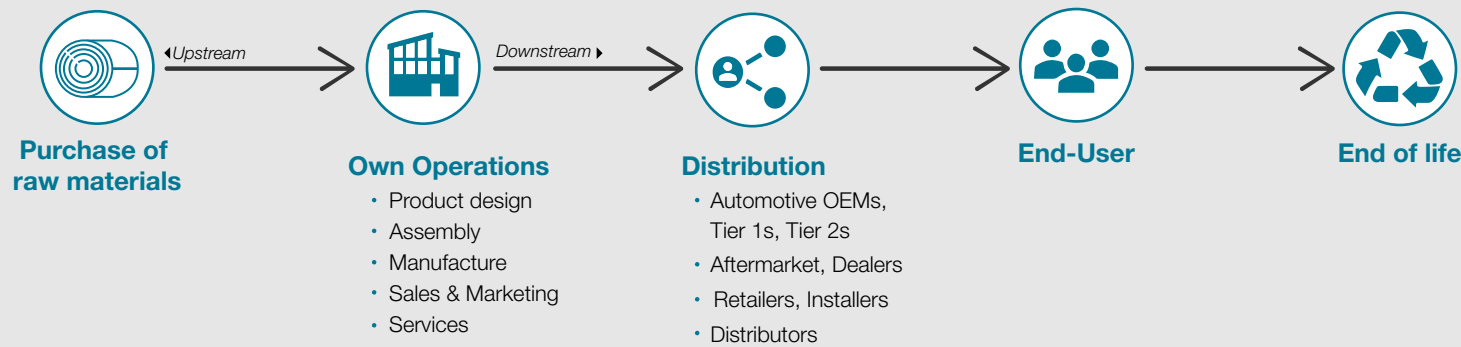
Wide range from hand tools to pneumatic and electromechanical assembly systems.



Aftermarket Kits

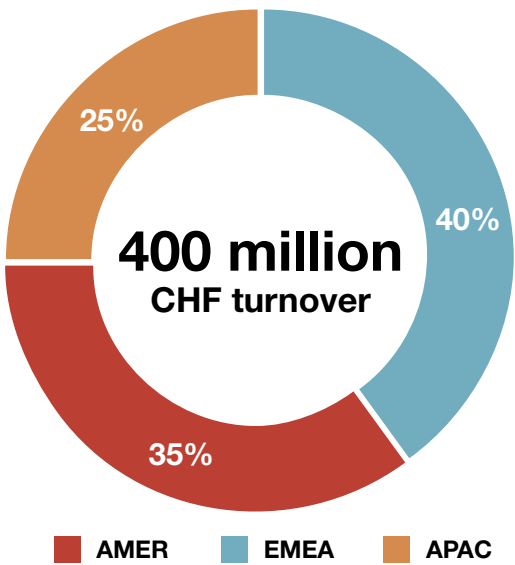
High-quality and easy-to-use clamps that are specially selected for Passenger Vehicles, 2-Wheelers, Commercial and Industrial Vehicles, and Cooling and Heating applications.

Value Chain



Net Sales

2 billion connections efficiently produced annually





Employees

The total number of employees (head-count) on 31-Dec-2022 was 2,026. 95% of employees were hired on a permanent basis and 91% work full-time. Oetiker does not offer employment on a non-guaranteed hours basis. The number of employees has grown steadily to +10% since 2019.

Oetiker's workforce does not rely on labor from workers who are not employees. The company works with external consultants on a project basis; however their work is controlled by their employer and not directly by Oetiker.

In addition, 24 apprentices worked for Oetiker in 2022. 33% of Oetiker's employee are women.

8% of male employees and 11% of female employees work part-time.

# Global Presence

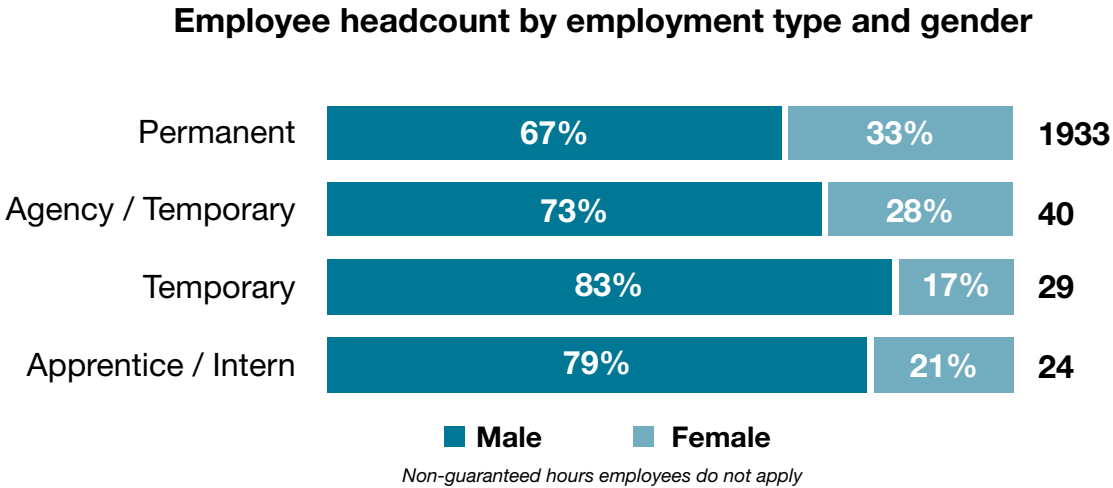
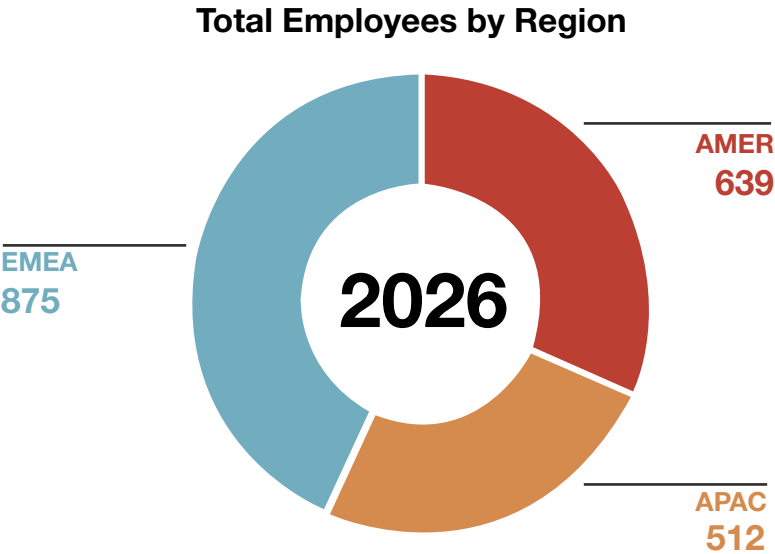
# Customer Focused

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## 2000+ Employees

## 32 Countries

## 13 Manufacturing Facilities



# Materiality Matrix

Oetiker conducted its first double materiality assessment in the second quarter of 2023. Topics were collected by reviewing sustainability reports from the industries in which we operate and applications which we serve as well as by consulting the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI 2016). The Executive Board performed an initial review and focused on the 18 topics most relevant to the company.

Stakeholders included members of global and local management and key functional leaders. Externally, we reached out to the Board of Directors, Shareholders, Customers and Suppliers. Feedback was collected primarily through an online survey, supplemented by follow-up interviews. Respondents evaluated own impact (the impact that Oetiker has currently or can have in the future on each of the topics) and financial impact (the impact each topic has on the Oetiker's ability to create long-term financial value). The 18 topics were ranked from 1-18 with 1 having the highest impact.

The results revealed that raw materials usage and energy consumption were the highest impact topics by far. The company is already addressing energy consumption and will continue to invest in own solar projects over the course of the next few years. Additional material topics addressed in this sustainability report include: Energy Consumption and Use of Renewable Energy, Management of Greenhouse Gas Emissions, Diversity, Equality and Inclusion, Employment Practices and Job Creation, Occupational Health and Safety, Training and Education and Governance (Prevention of Corruption and Anti-competitive Behavior). All other topics including the usage of raw materials will be evaluated and a course of action will be determined and reported over the coming years.









# Ethics and corporate governance



Our Commitment

Rooted in our values, the Code of Conduct outlines Oetiker's commitment to responsible business conduct and the behaviors we expect particularly from our leaders and our employees. It serves as a summary document that provides the foundation for detailed, topic-specific global company policies and local procedures.

All global company policies are reviewed and approved by the Executive Board. All policies are available on the company's intranet. The Code of Conduct is also available for download on the company's external website.

Oetiker abides by local laws and regulations in the specific countries where it operates. We expect our employees, business partners, suppliers, and all stakeholders connected to our company to act in a way that is consistent with our values and with our Code. We choose to work with customers who also share the same ideals and principles. It is the personal responsibility of every Oetiker employee to comply and to hold third-parties accountable for compliance.

Human Rights  
policy commitments



Protection of internationally recognized human rights



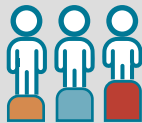
Safe and healthy workspace



Discrimination and harassment free environment



Right to freedom of association and collective bargaining



Equity in the workplace



Fair, voluntary and legal employment



**45%** of employees **completed** the **training in 2022**

## Awareness and Training

Our goal is to train every employee on our Code of Conduct. New employees receive an introduction as part of the standard induction process and provide a signed acknowledgment of their commitment to follow the Code. A dedicated training program launched in 2022 reached over 70% of employees. Executive Board members conducted virtual sessions with their teams to set the 'tone from the top'.

The training was then cascaded throughout each global function with each management level training their direct reports. The mandatory training covered how to apply the Code of Conduct to everyday business situations and potential misconduct with regard to health and safety, bribery, harassment, privacy and environment. In 2023, we plan to reach 100% of current employees as well as establish e-learning courses for refresher training and topic specific deep dives for leaders in key positions.

For suppliers, new business partner sustainability standards were released in 2022. All suppliers are required to comply with these standards as a prerequisite for a lasting business relationship.

# Speak Up

This communications channel allows employees to report possible misconduct globally and anonymously via the Intranet. Employees have an obligation to speak up if they suspect misconduct or behavior that is inconsistent with our values and our Code. The information provided is handled with discretion, investigated and responded to appropriately.

Honestly sharing a good-faith concern does not result in any sort of retaliation. We protect the rights of individuals who report concerns or participate in an investigation related to a violation of our Code, our policies or the law. Retaliation against an employee for reporting an issue in good faith is itself a violation of our Code.

## Misconduct Reporting

There were 2 incidents reported in the 'Speak Up' communications channel in the reporting year. Both reports were investigated and the CEO and responsible Executive Board members were informed of the findings. Both reports were closed after investigation, with 1 confirmed report of misconduct which resulted in corrective actions.

## Roles and Responsibilities

<b>Chief Executive Officer</b>
Ensures Code is published and reviewed on a regular basis
<b>Executive Board, Legal Entity Heads and Functional Area Managers</b>
Ensures Code is available, communicated and adhered to by all employees
<b>Executive Board, Heads of Group Functions</b>
Creates and maintains global policies
<b>Management System</b>
Annual performance objectives for CO2 emissions reductions, health and safety and diversity recruiting
<b>Group Human Resources</b>
Administration of the “Speak Up” communications channel
<b>Employees</b>
Report grievances through various channels: Speak Up, to member of the local leadership team, to a member of the HR team, through processes described as part of the collective bargaining agreements, during regular in-person, visits and meetings with Executive Board members to local sites, and during quarterly review sessions conducted at every site



## **Remediation of Grievances: processes**

External stakeholders e.g. members of the community can use the 'contact us' form on the Oetiker website. The customer complaint process, administered by the Group Quality function, is available as well as direct contact with responsible Sales representatives. Shareholders can express concerns directly to Board members or to the CEO during regularly scheduled meetings or ad-hoc.

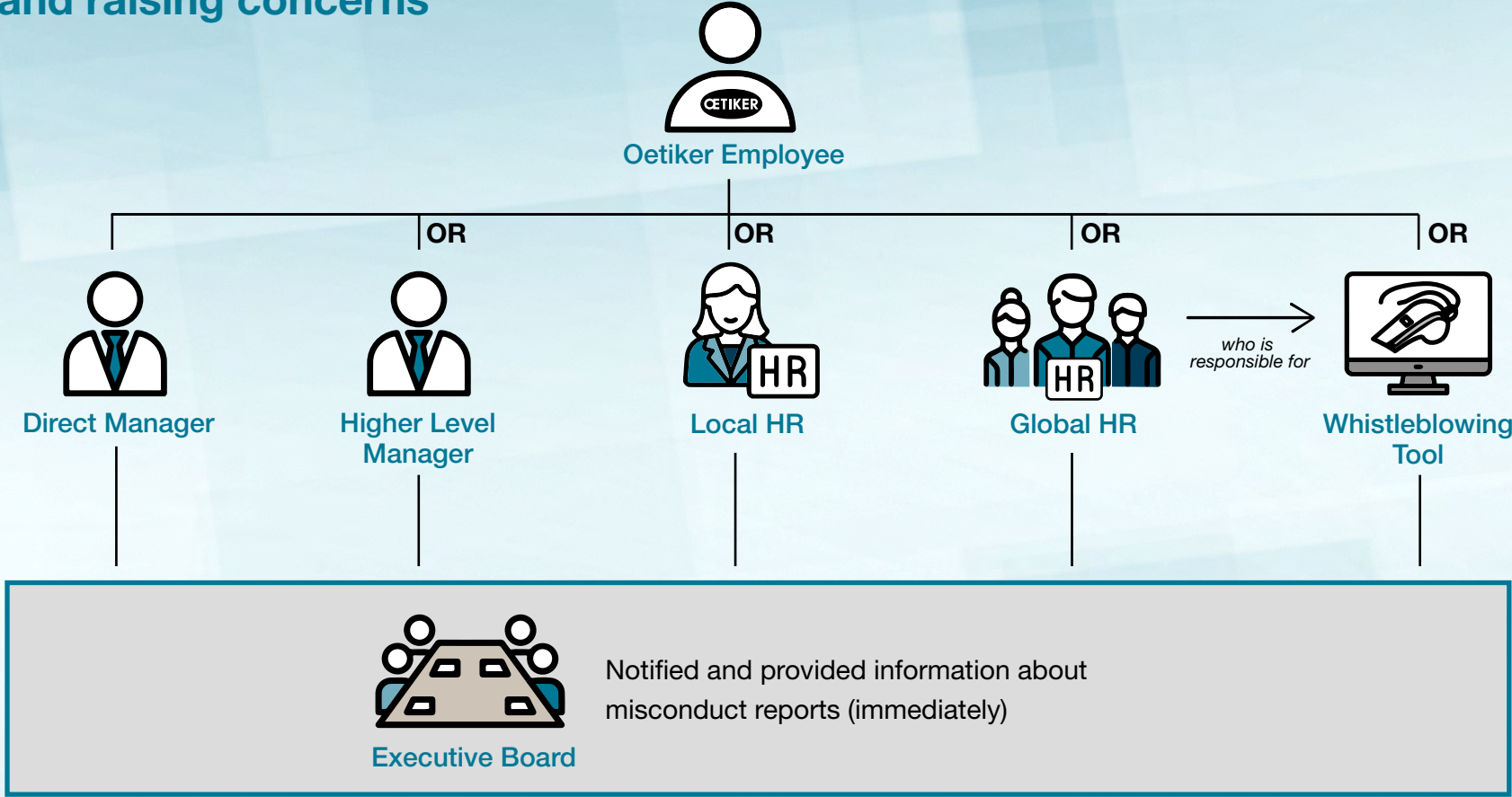
The remediation of concerns are handled confidentially on a case-by-case basis led by HR (when involving employees) and Heads of Legal Entities (when involving Works Councils), with escalation to the CEO, and other members of senior management including the Executive Board as required.

## **Compliance with laws and regulations**

The Oetiker Group has had no (zero) significant instances of non-compliance with laws and regulations during the reporting period. A significant instance would involve the settlement of a legal dispute.



Seeking advice and raising concerns



All reports can be submitted anonymously



All reports are received by a member of the HR team, who evaluates whether an investigation is required



All investigations are conducted in a confidential manner





**18%** of *total workforce* covered by collective bargaining agreements

## Approach to stakeholder engagement

Oetiker has an open approach towards all stakeholders, the most important of which are employees, customers, strategic suppliers, local communities in which the company operates and shareholders.

The company considers the interests of stakeholders and the impact of business activities on them when making business decisions.

## Collective bargaining agreements

Oetiker respects and encourages employee rights to communicate openly with management regarding working conditions and management practices without fear of reprisal, intimidation or harassment.

Oetiker respects rights to associate freely with organizations of their choice, bargain collectively and join workers' councils in accordance with local law.

## Composition and Competencies of the Board of Directors

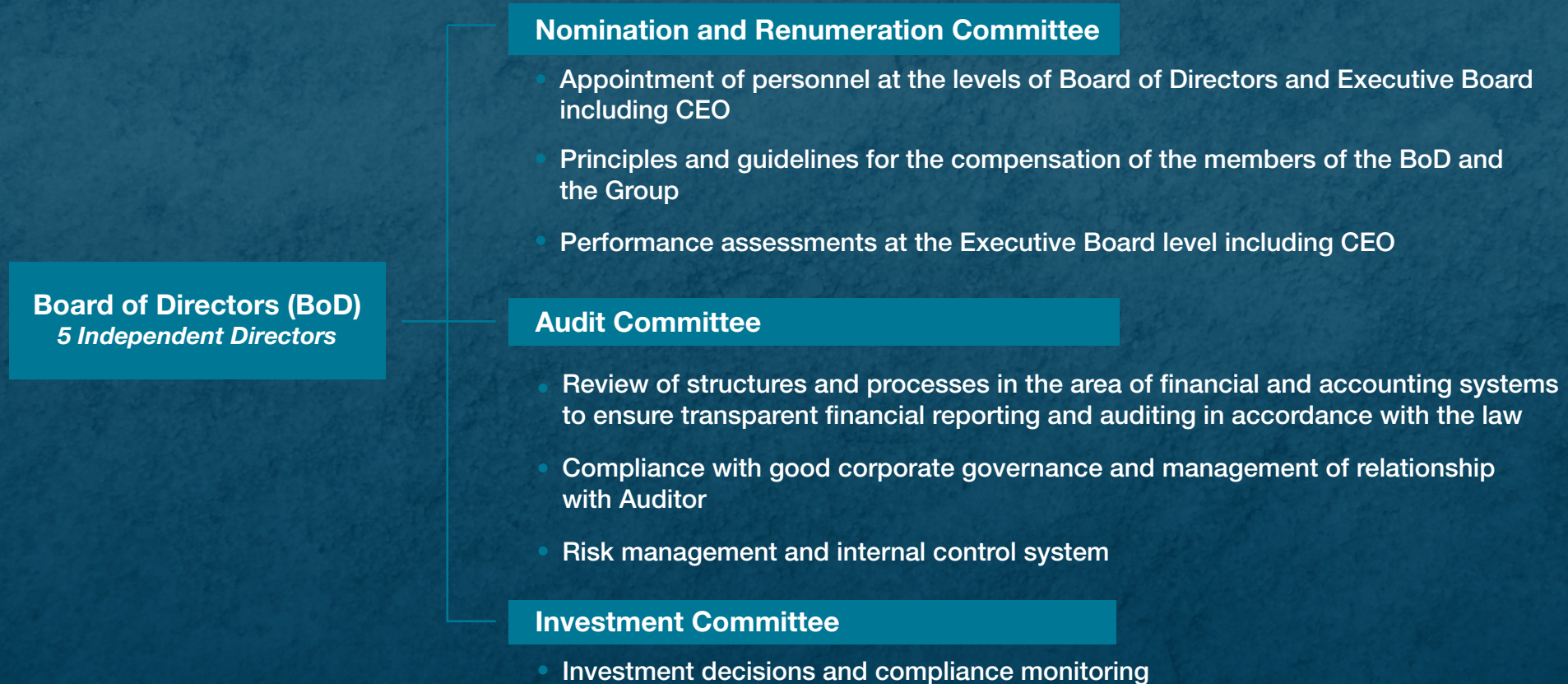
The duties and responsibilities of the Board of Directors (BoD) of Hans Oetiker Holding AG are defined by the Swiss Code of Obligations, the Articles of Incorporation and its associated statutes and the company's Organizational and Management Regulations.

The members of the Board have a broad range of professional experience, with a varied skill set across a diverse set of industries. They have various Board positions in other companies and in local government. Links to their individual LinkedIn profiles are provided in the table below. The president of the Board is independent i.e. not a senior executive in the company.

### BoD members as of 2022

Name / Position	Year of Birth	Entry	Gender	Nationality
<a href="#">Dr. Martin Folini (President)</a>	1958	2011	male	CH
<a href="#">Jost Sigrist (Vice President)</a>	1968	2014	male	CH
<a href="#">Dr. Diane Nicklas</a>	1969	2022	female	DE
<a href="#">Dr. Thomas Schmuckli</a>	1963	2016	male	CH
<a href="#">Marco Sohm</a>	1975	2012	male	CH





## Nomination and Selection processes for BoD and its committees

The BoD elects Committees members (at least two members for each committee). Members are selected who have the necessary expertise in each of the topic areas. Shareholders elect BoD members at the General Assembly for a three year term. The BoD allocates members to different committees (at least two members for each committee).

The term of office is identical to the relevant person's term of office as a member of the BoD. Members may be re-elected or relieved of their duties. In the event of resignation or dismissal, newly elected members complete the term of office of their predecessors.

## Role of the highest governance body in overseeing the management of impacts

The BoD is responsible for the strategic management of the Group. It advises and decides on a number of topics that relate to the sustainability strategy and the management of impacts:

- *Group strategy, business policies, commercial principles, and corporate planning of the Group, including the establishment of its financing structure and policy*
- *The principles governing corporate governance and compliance*
- *The principles governing the Group's risk policy*
- *Strategic opportunities and risk management*

The BoD reviews and advises on the Sustainability strategy and receives a status update on an annual basis.

The role of reporting and communication with key stakeholders (employees, customers, investors, banks, and other business partners of the Group, the authorities, and the media, as well as the general public) is delegated to the CEO. The CEO reports to the BoD periodically and in a timely manner on the assessment of strategic opportunities and risk situation, the status of the implementation of strategic initiatives (including sustainability) and on measures taken to ensure compliance with the Group's risk policy, in addition to reports on financial matters and on critical concerns.

With regard to reporting, the BoD reviewed the Company's first Sustainability report in 2022 and participated in the materiality assessment process and reviewed the outcome in Q2 2023. The BoD advances their collective knowledge, skills and experience on sustainable development from the annual discussion as well as from their own experiences on the Board of other companies.

The BoD assesses its own performance annually and takes any (corrective) measures resulting from this performance appraisal. Current remuneration policies do not incorporate ESG metrics for executive incentive programs. There are no independent evaluations of their performance in overseeing impacts on ESG topics.



## Delegation of responsibility for managing impacts

The CEO is the sponsor of the corporate initiative on Sustainability. The initiative lead is the Head of Sustainability, who reports to the CEO and is supported by the Heads of Group functions Health and Safety, Oetiker Production Systems (continuous improvement), Global Procurement and Human Resources. Together, they are responsible for group-wide sustainability management including defining goals and performance indicators, tracking towards targets, managing internal and external sustainability reporting, interacting with key internal and external stakeholders and supporting operational execution.

Responsibility for the day-to-day management and operational implementation of sustainability-related topics is at the local plant level. The Head of Sustainability provides status updates to the CEO on a monthly basis and to the full Executive Board 2-4 times per year by attending their regularly scheduled meetings.

## Conflicts of Interest and communication of critical concerns

The Group Code of Conduct is rooted in our Values and outlines the accepted global standards for our professional business conduct. The Code explicitly stipulates the avoidance of all conflicts of interest that may adversely influence the ability to make objective decisions on behalf of Oetiker.

Additionally, members of the BoD, the CEO, the members of the Executive Board and other Functional Area managers must organize their relationships such that conflicts of interest with the Group are avoided as far as possible. They shall disclose potential conflicts of interest to the President of the BoD or to an Executive Board member immediately and in full. Every member of the Group's management shall recuse herself / himself if transactions are dealt with that affect her/his personal interests or those of related natural persons or legal entities.

*Critical concerns raised through grievance mechanisms are discussed at the BoD level if they have a potentially material impact on the business.*

## Remuneration policies and processes

The remuneration system for the BoD consists of only a fixed annual salary. Board members do not receive fringe benefits nor do they participate in the company's pension scheme. There are no bonuses of any kind, no termination payments and no claw backs. As there is no variable component, there are no performance objectives in relation to ESG impacts.

Remuneration for all positions in the company (at all levels) is determined by the market conditions for the individual role and function. Target total remuneration is the median when compared to the local market. Decisions are made without the support of remuneration consultants. Guidelines are set by the Nomination and Remuneration Committee of the BoD, without any input from other stakeholders. Votes of stakeholders are not applicable.

The Executive Board compensation relies on fixed and variable components:



*The company does not make any special termination payments or claw backs*



*Termination is managed in accordance with standard notice periods*



*Retirement program is the same for all employees, regardless of rank and title*



## Annual total compensation ratio

Oetiker's approach toward compensation focuses on the employee, rewarding commitment to the company and to achievement. Compensation can include wages and salaries, profit sharing and additional benefits, and is aligned with statutory standards in each country in which Oetiker operates.

**The spread of salaries between employees varies in each employment market. Local managerial and employment structure as well as the presence of Executive Board members has a big influence on compensation ratios.**

**Compensation data was analyzed in three markets: Switzerland, United States and China. Together these markets represent around 50% of total employees.**

Ratios were calculated by comparing the median compensation (base salary + target bonus) of all employees in each market for both genders to the highest paid member of the management team residing in each market (excluding the Group CEO in Switzerland). Year-over-year comparison of 2021 vs. 2022 produced similar results. Calculations were performed in Swiss francs (currency effects neutralized) for all permanent and temporary employees (excluding agency and apprentices).

*Figures related to individual personnel compensation are not disclosed due to confidentiality reasons.*

**1:4****Switzerland****1:8****United States****1:17****China**



**Advancing social issues**



# Training & Education

People, Talent & Succession Management is a corporate initiative aimed at creating an environment where Oetiker teams can perform at their best to achieve the goals outlined in Strategy 2030. There are a number of training and leadership development programs designed to upgrade skills and promote career progression.

In addition, Oetiker is introducing an annual Talent & Succession Management Process with the goals of fostering job fulfillment, satisfaction, engagement and pride. The process rolls out to the highest level of management in 2023 as a pilot and will be extended to all employees in 2024.

**22** **Average**  
***training***  
***hours***  
**in 2022**

*Does not include hours from On-the-job experiences, Employee Exchange Program and Language training*

## Onboarding

All new employees receive a robust onboarding schedule to assist in acclimating to their role so that they feel comfortable and productive as quickly as possible. New employees are systematically introduced to company history, values, strategies, locations, organizational structure, products/applications, processes, essential functions and people over 2-4 weeks.

## Mobility

The signature program for internal mobility is the Employee Exchange Program. Since 2016, 37 employees were chosen to work at a different Oetiker location for 8-12 weeks with the objectives to develop competency and cross-cultural awareness, improve communication and cooperation across locations, exchange best practices and work seamlessly as a truly global company.

## Language and Cultural Training

Classroom training and access to language learning applications are available.

## Skill Development

The company offers individualized access to online training through LinkedIn Learning as well as to local, external technical, job-specific training through reimbursement programs to further knowledge and capabilities. Group functions are also empowered to organize specific training for their respective teams. For example, Sales and Marketing team in India recently attended leadership development training focused on resilience.

## Leadership Training

The Leadership Challenge Program is for first-line managers to work in small peer groups over 40 weeks to improve their response to day-to-day leadership and change management challenges.

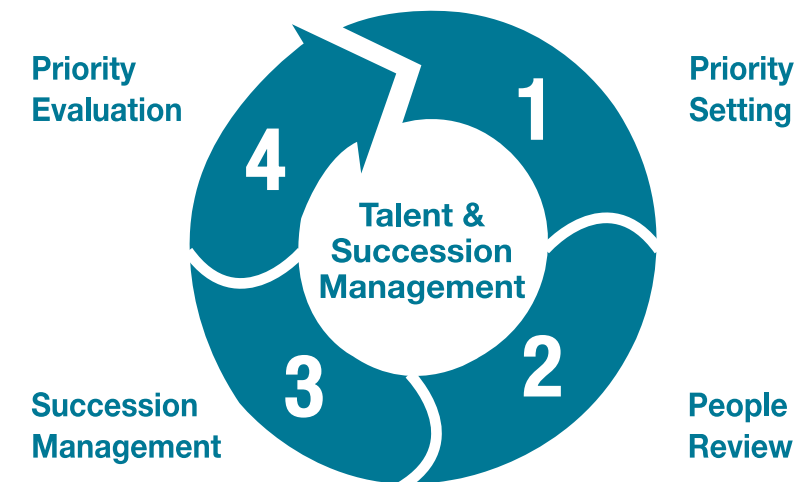


# Talent & Succession Management Cycle



Oetiker has just introduced an annual Talent & Succession Management Process focused on the personal and professional development of our employees. Starting with the first step 'Priority Setting', line managers work with their employees to translate company strategy into goals on which to focus over the course of the year. Connecting the high-level strategy with day-to-day tasks creates a stronger sense of job fulfillment and satisfaction, coming from a clear understanding of how every contribution brings the company closer to its strategic goals.

'People review' and 'Succession Management' offer a common framework to evaluate performance (relative to the annual priorities) and to evaluate future potential. The final piece of the process 'Priority Evaluation' is dedicated to open discussions between individuals and line managers that center on identifying actions to further personal and professional development.





## Diversity, Equity and Inclusion means actively working towards equality for all.

### Ensure equitable compensation

Equal pay studies were conducted in Switzerland, Spain and Sweden with the outcome that there is no statistically relevant difference in pay between men and women.

### Retention, representation and inclusion

These topics are currently in the planning stages. A new employee group in the Americas kicked off to promote inclusivity and find practical ways to foster a culture of equal opportunity, fairness and acceptance.

### Improve gender diversity in recruiting

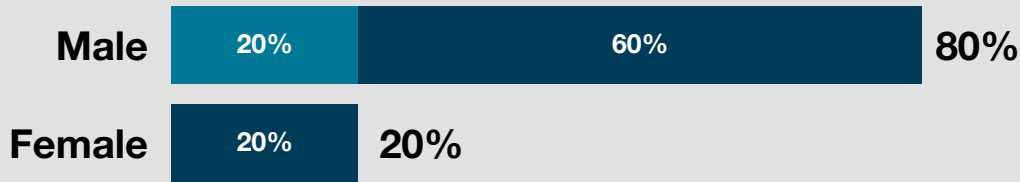
In the past year, we enhanced the diversity of our Board of Directors as well as our Executive Board. 40% of new hires in 2022 were women. In addition, we forged partnerships with a local technical and school in Spain to encourage women to pursue internships at our facility.



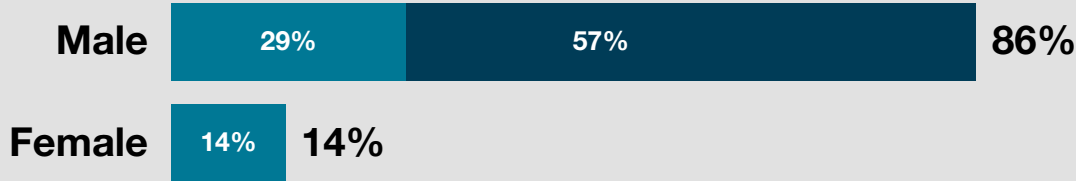
### Diversity of governance bodies and employees

- Over 50 years old
- 30 - 50 years old
- Under 30 years old

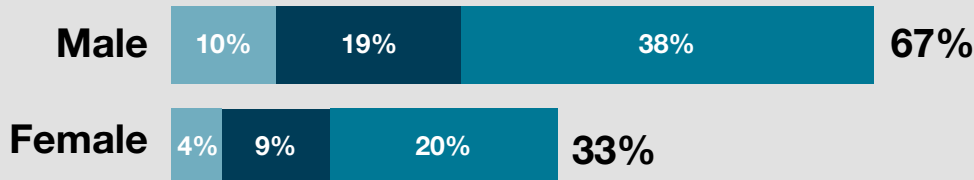
#### Board of Directors



#### Executive Board



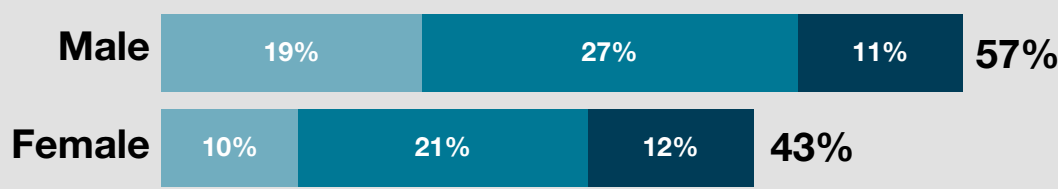
#### All Employees



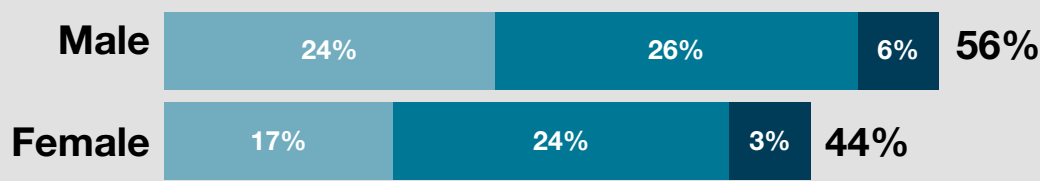
### Diversity of new employee hires

- Over 50 years old
- 30 - 50 years old
- Under 30 years old

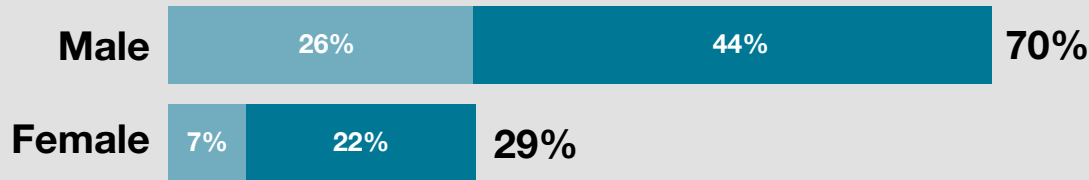
#### AMER



#### EMEA



#### APAC





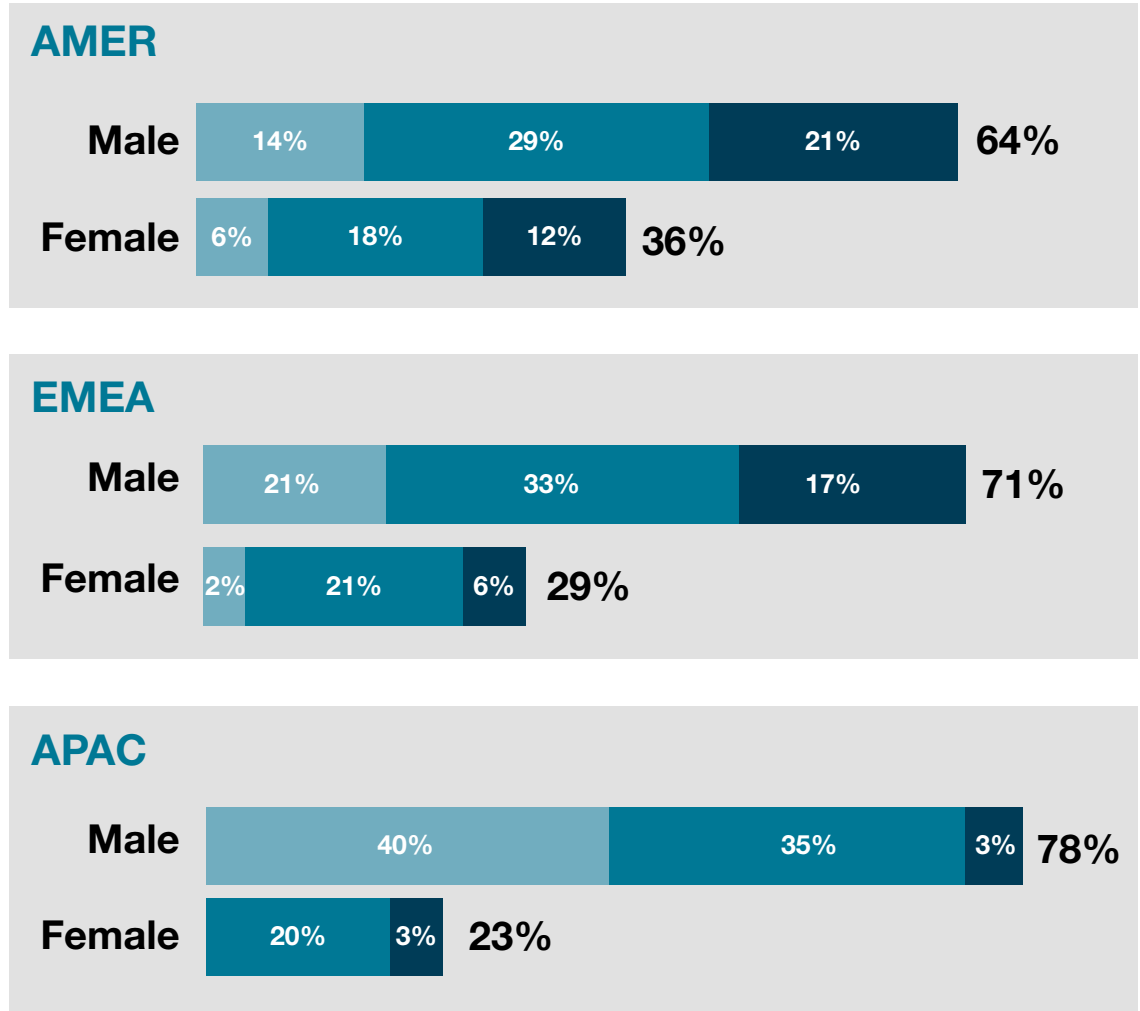
## Employee Turnover

Similar to other manufacturing and engineering companies, labor markets are tight when it comes to recruiting women. In spite of this, efforts to improve gender diversity in recruiting were relatively successful. Female new hires accounted for 40%, with over 80% between the ages of 30-50 years old, i.e. early to mid-career. When compared to turnover, we retained female talent at a higher rate than males. Regionally, we hired a higher percentage of women in the Americas and EMEA (+40%) compared to APAC (29%).

Total turnover is relatively low overall at 14%. Voluntary turnover is steady around 9%. Most employees who leave are younger than 50 years old (74%). Regionally, the Americas (+20%) has a higher turnover than APAC and EMEA (around 8%). Women account for a higher percentage of leavers in the Americas (36%).

## Diversity of employee turnover

- Over 50 years old
- 30 - 50 years old
- Under 30 years old



## Enhancing Employee Well-Being: the Benefits of Working at Oetiker



In today's competitive job market, attracting and retaining top talent requires more than just a competitive salary. To create a positive and thriving work environment, we provide comprehensive employee benefits that go beyond financial compensation.



**Flexible working hours**



**Remote work opportunities**



**Promotion of work-life balance**



**Personalized onboarding program**



**Learning and development opportunities**

*Benefits can vary based on location and based on job position.*

*Certain locations provide a variety of well-being programs, retirement provisions, health care, insurance coverage, service awards, parental leave, educational reimbursement and volunteering programs.*



## Parental leave

Oetiker values parental leave and the benefits that it brings to new mothers and fathers - especially to mothers who have the opportunity to continue to advance in their careers. Parental leave policies also boost employee engagement and morale and aid in recruiting new talented employees.

The company complies with all laws and regulations governing paid parental leave in the countries and US states where it operates. Its track record when it comes to parents returning to work after their leave is strong, with most employees returning to the same position.

Globally, over 70% of men and women who were eligible to take leave did take leave; and around twice as many men took leave than women.



**72%**

of employees took  
*parental leave*  
globally in 2022

**96%**

of employees  
*returned to work*  
after parental leave




## Global management approach to occupational safety

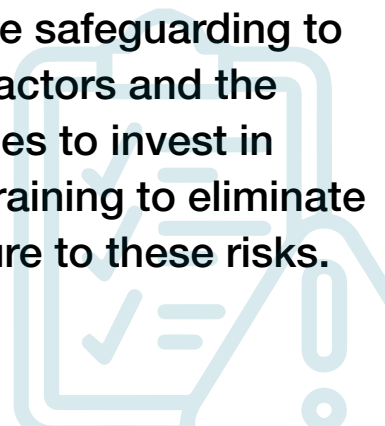
**At Oetiker, caring for the health and safety of our employees is part of our values. Providing a safe and healthy workplace with a focus on the prevention of work-related injury and ill health is how we show that we value our people.**

Our global health and safety policy clearly defines the roles and responsibilities that guide and direct all employees, visitors and service providers to maintain a safe and healthy workplace. It provides guidelines for establishing and implementing programs that identify workplace hazards, reduces risk and promotes employee health and safety.


The company has a Group-wide approach to occupational health and safety and in anticipation of customer requirements is beginning to pursue ISO 45001 certification at production sites in 2023.



Risk assessments at production sites, completed in 2022, indicate manual material handling, hand tools and machine safeguarding to be the high-risk factors and the company continues to invest in technology and training to eliminate or reduce exposure to these risks.



The company adheres to country specific laws and regulatory frameworks that provide clearly defined standards for occupational health and safety.





## Certification of manufacturing sites

All manufacturing sites have Heads of Health and Safety, who along with local management teams and safety representatives, support the implementation of best practices and promote a Safety First Mentality.

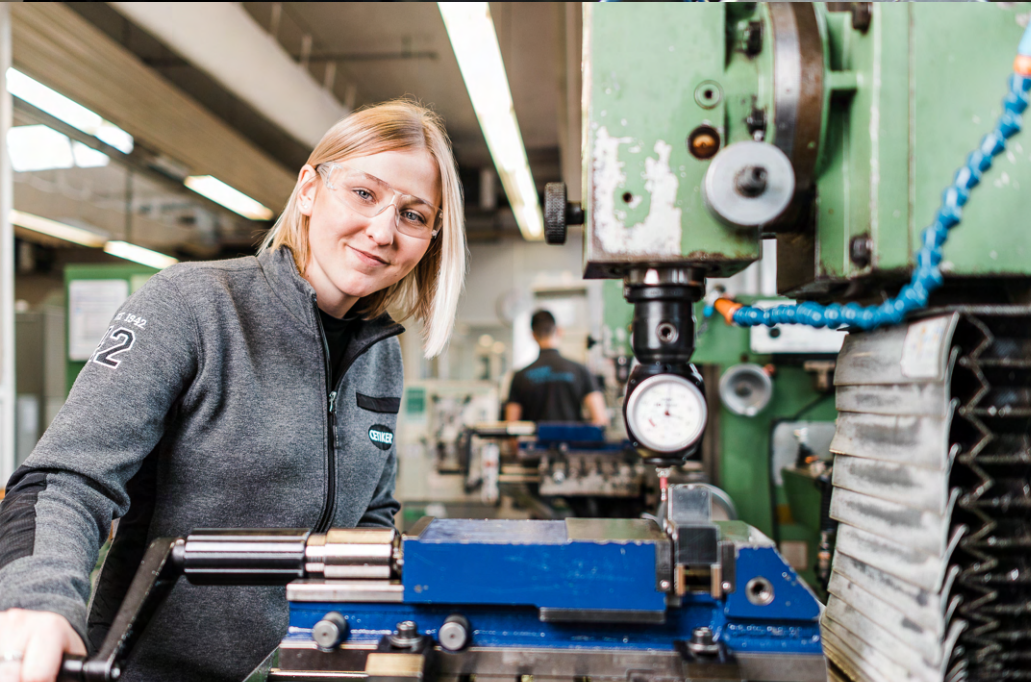


**In 2023, Oetiker Canada is scheduled to become the first manufacturing site to achieve the ISO 45001 certification with the goal of certifying the remaining sites by 2030.**

ISO 45001 prescribes conducting regular assessments at the site level to identify and evaluate occupational health and safety risks to workers. On this basis, activities including risk assessments, workplace inspections and Gemba walks are carried out to proactively identify improvement opportunities.







## Health and safety governance on the global, regional and local levels

Health and safety performance is assessed with regular reporting by the global health and safety management team to the Executive Board. Local sites also share Lessons Learned including root cause analyses and countermeasures on the company Intranet.

A global initiative was started in 2022, driven by the Americas region, to utilize a Smart Manufacturing Platform (Leading2Lean) to capture incident and accident reporting as well as continuous improvement efforts. This improves the visibility of leading and lagging indicators within the site and across the Group and helps make data driven decisions.

Health and Safety Weeks were also conducted around the globe at twelve manufacturing locations with many activities to engage employees at all levels and promote a safety first mentality.

*Regional HSE meetings are conducted on a regular basis to share knowledge and best practices as well as review Lessons Learned and root cause analysis from accidents.*



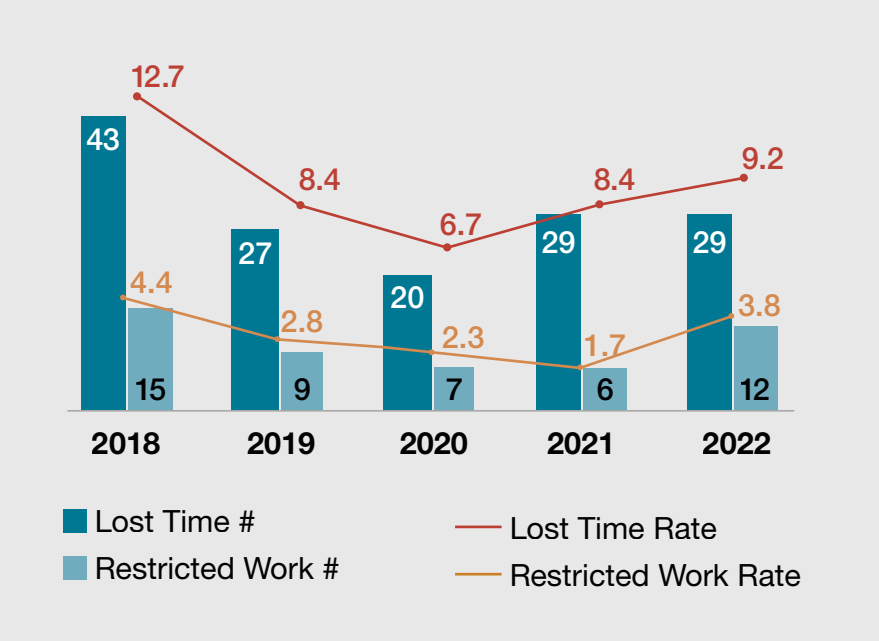
## Accident rate as a key performance indicator

Introducing management systems for occupational safety is not an end in itself. To monitor their effectiveness, Oetiker monitors Lost Time Accidents (any accident resulting in time lost from work excluding the day of injury), and Restricted Work Accidents (any accident resulting in a worker having restrictions). These accidents are also monitored based on the number of accidents per 1,000,000 hours worked. In 2022, the number of lost time accidents did not change however the rate increased due to reduced hours worked compared to 2021. The number of restricted work accidents doubled compared to 2021 with the main injury trends being cuts to hands and fingers and strains and sprains to arms and backs.

As in previous years, there were no fatalities.

In order to focus on preventive rather than reactive measures, Oetiker has started to monitor the number of incidents, which are events where no injury occurred such as a near miss, an unsafe act or unsafe condition. Incidents and accidents are reported to line managers, who through the Smart Manufacturing Platform (Leading2Lean) notify appropriate department heads and health and safety representatives.

Accident Trend | Lost Time and Restricted Work  
(actual # and rate per 1 million hours worked)





**Protecting our environment**

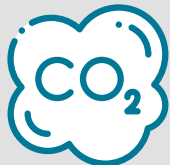


## Energy Consumption from Operations

Over the past year, we made significant strides to reduce electricity consumption and carbon emissions, while also achieving ISO 14001 certification for all production sites globally.



**-2.14% reduction in electricity consumption**  
*Equivalent to -0.5% reduction in carbon emissions*



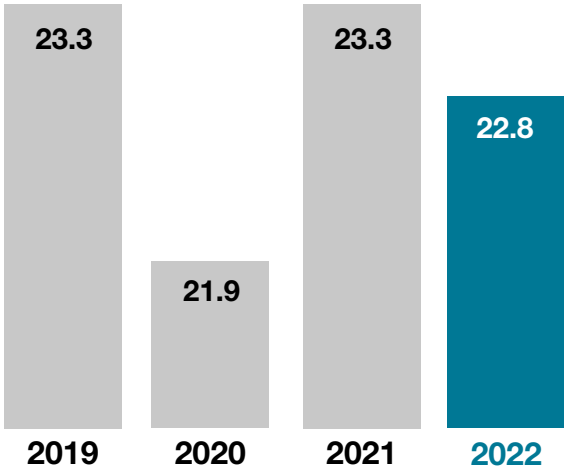
**-3.9% reduction in natural gas usage in 2022**  
*Resulting in -3.8% reduction in carbon emissions*



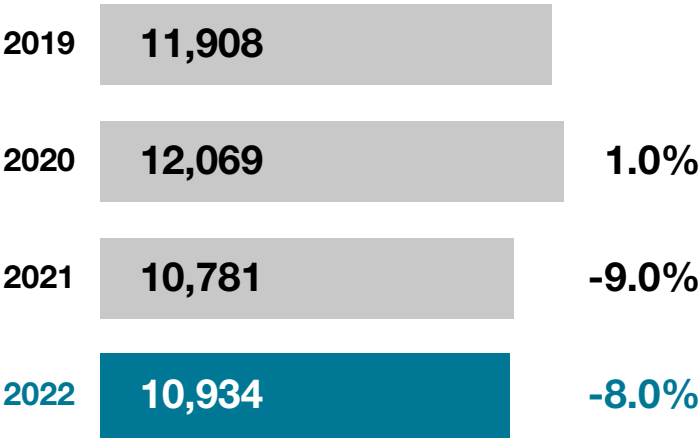
**Local projects to improve energy-efficiency**  
*Upgrading lighting systems, optimizing equipment usage, reducing scrap, and investing in renewable energy*

*To realize carbon neutrality, we are investing in energy-efficient processes and equipment upgrades in our plant processes.*

Electricity Consumption (MWh)



Electricity Intensity (Millions of parts produced/kWh)



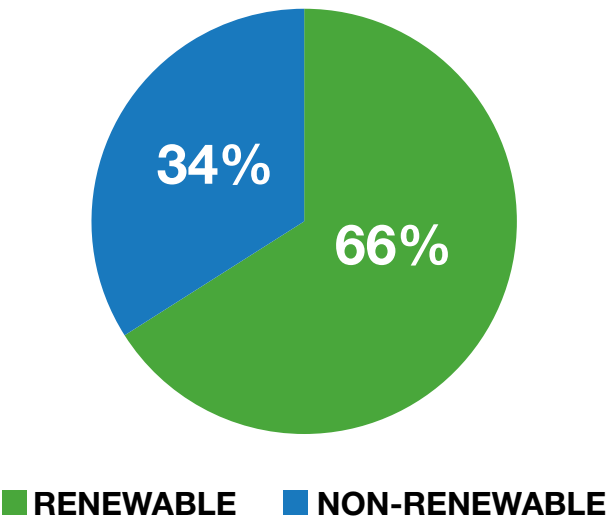


*To realize carbon neutrality, we are systematically investing in solar energy installations at select plants.*

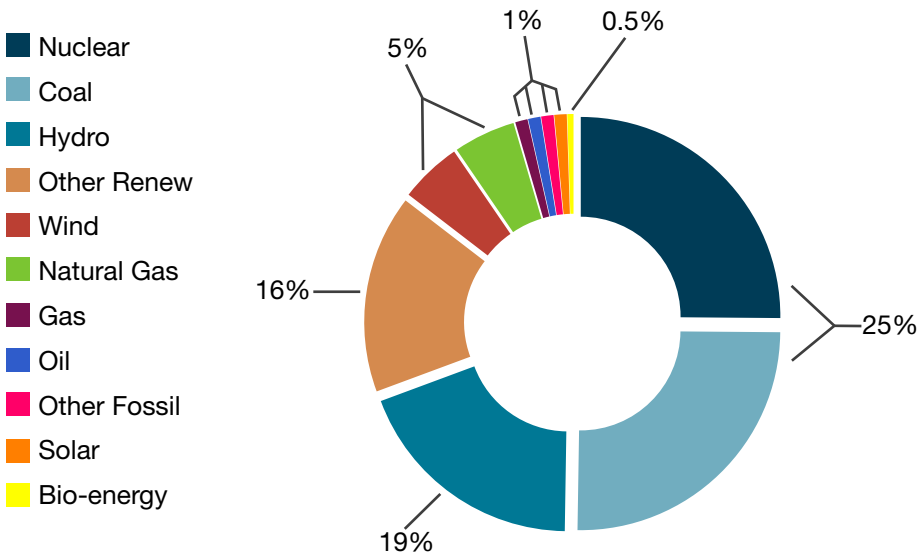
**Renewable vs non-renewable electricity**

66% of Oetiker's electricity consumption came from renewable sources. Of the renewable electricity purchased, the majority came from nuclear sources at 25%, followed by hydroelectric power at 19%. 34% of purchased electricity still relies on non-renewable sources, with the majority being coal. Two additional sites in Spain and in Germany will transition towards cleaner and more sustainable sources of energy in 2023, with the investment in on-site generation of solar power. This is expected to bring +3% increase in renewable energy sources once completed and up and running.

Sum of Renewable vs Non-renewable electricity (MWh)



Breakdown of Renewable vs Non-renewable electricity (mWh)





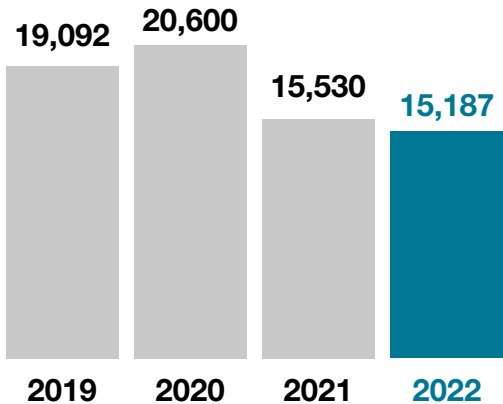
# Consumption and Conservation Efforts



Water, while not a major component in our company's processes, plays a crucial role in various aspects of our operations. As a responsible and environmentally conscious organization, we have implemented several initiatives to reduce our water consumption and promote sustainable practices.

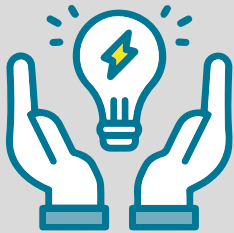
Through these efforts, we witnessed a significant 20% reduction in water usage in 2022 compared to our baseline in 2019. Projects undertaken were water nozzle replacements, employee shower area adaptations due to COVID-19, and employee education on water conservation.

Water Consumption (m³)

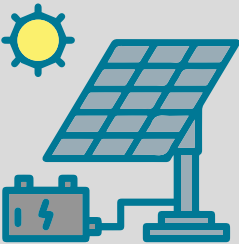


**3905 m³**  
reduction of  
*water consumption*  
since 2019

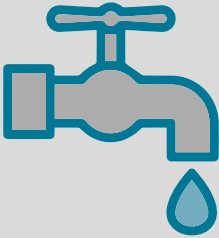
53  
energy  
efficient  
projects



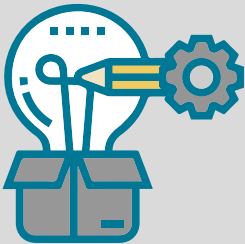
26 Energy efficient



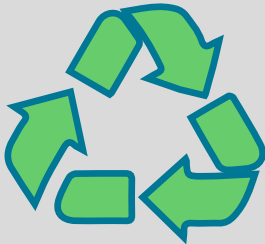
1 Renewable



2 Water



3 Product and  
design waste



21 Reduce, reuse,  
recycle

**Across the globe, dedicated local teams took proactive measures to promote sustainability and reduce environmental impact.**

In Poland, we made investments in solar panels that cover 10% of current energy needs. Additionally, we undertook 26 energy efficiency projects across multiple locations. Notably, in Lithuania, we installed two new compressors, while in our Michigan plant, we introduced an advanced on-demand hot water system. Furthermore, our Spain facility is in the process of upgrading to new efficient HVAC equipment.

Our water conservation initiatives involved the installation of water-saving nozzles on all faucets and the removal of unnecessary sinks. Moreover, our product and design projects were instrumental in enhancing efficiency and minimizing scrap and defects in our processes.

Furthermore, we have actively pursued 21 projects and initiatives aimed at reducing, reusing, and recycling. For instance, in Germany, we upgraded our degreasing machine, and we prioritized the elimination or recycling of paper, accompanied by comprehensive awareness training programs.

*Our unwavering commitment to sustainable practices and continuous improvement across our global facilities demonstrates our dedication to building a greener future for our planet and communities.*





Energy Use (MWh)	2019	2020	2021	2022
<b>Scope 1 - On site generation (fuel)</b>	10.715	8.721	9.095	8.441
Fuel (natural gas)	7.616	7.199	7.084	6.811
Other Fuels	3.099	1.522	2.011	1.630
<b>Scope 2 - On site usage of electricity (MWh)</b>	23.304	21.938	23.300	22.801
<b>Total Scope 1 and 2 (MWh)</b>	<b>34.019</b>	<b>30.659</b>	<b>32.395</b>	<b>31.242</b>
<b>Changes from 2019 base year</b>	-	<b>-10%</b>	<b>-5%</b>	<b>-8%</b>
Energy Intensity (scope 1 and 2) (MWh/parts per million)	17.38	16.87	14.99	14.98

Emission Use (CO2)	2019	2020	2021	2022
<b>Scope 1 - On site generation (fuel)</b>	2208	1721	1866	1718
Fuel (natural gas)	1460	1380	1358	1306
Fleet vehicles	748	341	508	412
<b>Scope 2 - On site usage of electricity</b>	5765	5634	6158	6127
<b>Scope 3 - Air travel</b>	500	151	143	568
<b>Total Scope 1, 2 and 3</b>	<b>8473</b>	<b>7506</b>	<b>8167</b>	<b>8413</b>
<b>Changes from 2019 base year</b>	-	<b>-11%</b>	<b>-4%</b>	<b>-1%</b>
Energy Intensity (scope 1, 2, and 3) (CO2/parts per million)	4.33	4.13	3.78	4.03



*Oetiker is currently working with suppliers to source as much recycled content in its raw materials as possible, with a focus on APAC where the current rates can be improved.*

**Since the first design of the original ear clamp in 1942, the philosophy of using resources sparingly has been at the forefront.**

Oetiker's clamps, rings, straps, quick connectors, tools and kits are all designed and produced to minimize waste and scrap metals. In order to get a full picture of Scope 3 carbon emissions, we are analyzing purchased good and services.

The materiality assessment also showed that raw material usage highly impacts Oetiker financially as well as contributes to Oetiker's impact on the environment. Purchased raw materials accounts for 63% of the total spend on purchased goods and services, the majority of which is steel and aluminum.

To reduce carbon emissions associated with these raw materials, Oetiker seeks out suppliers with high levels of recycled content:

- 90% of purchased stainless steel in the Americas and Europe
- 80% of purchased aluminum in Europe
- 20% of purchased carbon steel worldwide



## Sustainable procurement

Oetiker set the goal to work with business partners to reduce their carbon footprint, respect labor and human rights and uphold the highest standards of corporate governance and business ethics.

Our strategy for sustainability in the supply chain aims to achieve continuous improvements and ensure that our suppliers meet environmental and social standards. Here are the key points of our strategy:



# 100+ suppliers rated

*representing +75% of  
the purchasing spend.*



### Measuring Sustainable Performance

We prioritize the continuous onboarding of suppliers to measure sustainability performance. We involve all relevant suppliers in the process to ensure a comprehensive assessment.

These evaluations are based on clear criteria covering environmental, social, and ethical aspects.



### Assessing and Improving Performance

Our suppliers undergo thorough assessments to evaluate their sustainability performance. Based on these assessments, we identify areas where improvement is needed.

We establish clear goals for sustainability improvements and work collaboratively with suppliers using specific action plans to achieve these objectives.



### Optimizing the Network

We continuously optimize our supplier network to ensure that only those suppliers who meet our sustainability requirements remain part of our network.

Suppliers actively commit to improvements and receive preferential treatment with the opportunity to become long-term strategic partners.

## Our sustainable procurement vision

### Environment

By respecting nature, our business partners promote an environmental awareness throughout the supply chain, continuously reducing their carbon footprint to be emissions neutral by 2050.

### Ethics

Business-partners maintain a system and operate honestly and ethically to avoid conflicts and personal gain.

All our business partners prohibit all forms of bribery, corruption, embezzlement and extortion.

### Labor and Human Rights

Our business partners respect and apply the applicable laws and respect employee's human rights.

All our business partners prohibit any form of child labor, respect human equality and actively avoid any form of discrimination.

### Sustainable Procurement

To uphold and secure a sustainable and successful future, the business partners have implemented the same values and business practice with their business partners.

*Our sustainability strategy, supported by the Ecovadis tool, will not only strengthen environmental and social responsibility within our supply chain but also create long-term benefits for our company and partners.*

By consistently implementing this strategy, we underscore our commitment to sustainability while simultaneously making a positive impact on the environment and society.

In addition, all suppliers committed to [Oetiker's business partner sustainability standards](#) as well as the [global code of conduct](#).





# Strategic targets and GRI index

# Strategic Targets



## Production Processes

- Reduce emissions generated from energy consumption
- Transition to renewable/green energy sources
- Reduce waste and increase recycling
- Reduce freshwater consumption

### Target

- Reduce Scope 2 emissions in absolute terms by -5% and by intensity -25% from a 2019 base year
- Increase share of renewable energy to more than 66%
- Establish recycling, waste and water reduction targets

### 2022 Results

- +6% in electricity emissions (absolute terms); -8% in intensity
- Share of renewable energy increased to 66%
- Recycling, waste and water reduction targets set for 2023



## Procurement

Work with business partners to ensure sustainable procurement: reduce carbon footprint, respect labor and human rights, and uphold the highest standards of business ethics

- Invite and onboard corporate and top local suppliers
- Begin to measure carbon footprint from purchased raw materials

- All corporate suppliers invited onto Ecovadis platform, approximately 75% of spend volume.
- Target for 2023 is to cover 85% of purchasing volume.
- First calculations on emissions from steel purchases completed



## Corporate Governance

Conduct business according to fair and ethical practices

- Roll-out Code of Conduct training to all employees
- Enhance suite of Compliance policies

- 50% of the company completed first phase of Code of Conduct training
- Additional compliance policies to be added in 2024



## Corporate Social Responsibility

Make a positive contribution in the communities where we live and operate

- Set up a global framework for CSR with metrics and coordination

- No progress made in 2022 due to lack of resources and higher priorities





### Attractive Employer

- Improve the diversity of our workforce
- Foster a culture of equality and inclusion

#### Target

- Increase the share of female new hires at all manufacturing locations
- Increase the share of women in leadership positions

#### 2022 Results

- Share of female new hires remains steady at about 40%
- 3 female senior executives joined in 2022 at the Board of Directors and Executive Board levels
- Tracking of all leadership positions by gender to begin in 2024



### Health and Safety

Establish a company-wide safety-first mentality with the focus on prevention and improvements in order to achieve zero accidents

- ISO 45001 certification at one manufacturing site with a roll out plan to reach all sites in 2-3 years
- Complete site assessments to identify risks and opportunities
- Set site-specific benchmarks and KPIs to promote 'Safety First' culture
- Implement control measures and develop procedures and trainings based on assessments
- Establish and launch annual engagement and educational activities to promote a culture of safety

- Oetiker Canada scheduled to receive certification in 2023
- Site assessments completed; benchmarks and KPIs were also set
- Control measures partially in place, with procedures and trainings constantly being developed
- Annual safety weeks launched



### Innovation and New Products

Ensure that every NPI project considers environment sustainability

- Define and adopt a sustainability framework for new product innovations
- Initiate tracking of all new product innovations against the framework

- No progress made in 2022 due to lack of resources and higher priorities

## GRI Content Index

The Oetiker Group has reported the information cited in this GRI content index for the period 1 January - 31 December, 2022 with reference to the GRI Standards.

GRI Used: GRI 1: Foundation 2021

GRI Indicator		Indicator Description	Page(s) / Location(s)	
GRI 2: General Disclosures 2021				
The organization and its reporting practices	2-1	Organizational details	3-9 52	About Oetiker About this report
	2-2	Entities included in the organization’s sustainability report	3-9 52	About Oetiker About this report
	2-3	Reporting period, frequency and contact point	3-9 52	About Oetiker About this report
	2-4	Restatements of information	3-9 52	About Oetiker About this report
	2-5	External Assurance	3-9 52	About Oetiker About this report
Activities and workers	2-6	Activities, value chain and other business relationships	3-9 52	About Oetiker About this report
	2-7	Employees	3-9 52	About Oetiker About this report
	2-8	Workers who are not employees	3-9 52	About Oetiker About this report
GRI 2: General Disclosures 2021				
Governance	2-9	Governance structure and composition	10-22	Ethics and corporate governance Hans Oetiker Holding AG



GRI Indicator		Indicator Description	Page(s) / Location(s)
<b>GRI 2: General Disclosures 2021</b>			
Governance	2-10	Nomination and selection of the highest governance body	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-11	Chair of the highest governing body	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-12	Role of the highest governance body in overseeing the management of impacts	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-13	Delegation of responsibility for managing impacts	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-14	Role of the highest governance body in sustainability reporting	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-15	Conflicts of interest	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-16	Communication of critical concerns	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-17	Collective knowledge of the highest governance body	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-18	Evaluation of the performance of the highest governance body	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-19	Remuneration policies	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-20	Process to determine remuneration	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-21	Annual total compensation ratio	<b>10-22</b> <i>Ethics and corporate governance</i>
Strategy, policies, and practices	2-22	Statement on sustainable development strategy	<b>3-4</b> <i>Message from the CEO</i>
	2-23	Policy commitments	<a href="#">Code of Conduct</a> <a href="#">Supplier code of Conduct</a>
	2-24	Embedding policy commitments	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-25	Processes to remediate negative impacts	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-26	Mechanisms for seeking advice and raising concerns	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-27	Compliance with laws and regulations	<b>10-22</b> <i>Ethics and corporate governance</i>
	2-28	Membership associations	<b>10-22</b> <i>Ethics and corporate governance</i>

GRI Indicator	Indicator Description	Page(s) / Location(s)
<b>GRI 2: General Disclosures 2021</b>		
Strategy, policies, and practices	2-29	Approach to stakeholder engagement
	2-30	Collective bargaining agreements
		<b>10-22</b> <i>Ethics and corporate governance</i>
		<b>10-22</b> <i>Ethics and corporate governance</i>
<b>GRI 3: Material Topics 2021</b>		
	3-1	Process to determine material topics
	3-2	List of material topics
	3-3	Management of material topics
		<b>42-53</b> <i>Strategic targets and GRI index</i>
		<b>42-53</b> <i>Strategic targets and GRI index</i>
		<b>42-53</b> <i>Strategic targets and GRI index</i>

The following topics were selected as a result of the materiality analysis.

GRI Indicator	Indicator Description	Page(s) / Location(s)
<b>GRI 301: Materials 2016</b>		
	301-1	Materials used by weight or volume
	301-2	Recycled input materials used
		<b>35-43</b> <i>Protecting our environment</i>
		<b>35-43</b> <i>Protecting our environment</i>
<b>GRI 302: Energy 2016</b>		
	302-1	Energy consumption within the organization
	302-3	Energy intensity
	302-4	Reduction of energy consumption
		<b>35-43</b> <i>Protecting our environment</i>
<b>GRI 303: Water and Effluents 2018</b>		
	303-5	Water Consumption
		<b>35-43</b> <i>Protecting our environment</i>



GRI Indicator		Indicator Description	Page(s) / Location(s)
<b>GRI 305: Emissions 2016</b>			
	305-1	Direct (Scope 1) GHG emissions	<b>35-43</b> <i>Protecting our environment</i>
	305-2	Energy indirect (Scope 2) GHG emissions	<b>35-43</b> <i>Protecting our environment</i>
	305-3	Other indirect (Scope 3) GHG emissions	<b>35-43</b> <i>Protecting our environment</i>
	305-4	GHG emissions intensity	<b>35-43</b> <i>Protecting our environment</i>
	305-5	Reduction of GHG emissions	<b>35-43</b> <i>Protecting our environment</i>
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
	308-1	New suppliers that were screened using environmental criteria	<b>35-43</b> <i>Protecting our environment</i>
<b>GRI 401: Employment 2016</b>			
	401-1	New employee hires and employee turnover	<b>23-34</b> <i>Advancing social issues</i>
	401-2	Benefits for full-time employees, not provided to temporary or part-time employees	<b>23-34</b> <i>Advancing social issues</i>
	401-3	Parental leave	<b>23-34</b> <i>Advancing social issues</i>
<b>GRI 403: Occupational Health and Safety 2018</b>			
	403-1	Occupational health and safety management system	<b>23-34</b> <i>Advancing social issues</i>
	403-2	Hazard identification, risk assessment, and incident investigation	<b>23-34</b> <i>Advancing social issues</i>
	403-3	Occupational health services	<b>23-34</b> <i>Advancing social issues</i>
	403-4	Worker participation, consultation, and communication on occupational health & safety	<b>23-34</b> <i>Advancing social issues</i>
	403-5	Worker training on occupational health and safety	<b>23-34</b> <i>Advancing social issues</i>
	403-6	Promotion of worker health	<b>23-34</b> <i>Advancing social issues</i>
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<b>23-34</b> <i>Advancing social issues</i>
	403-8	Workers covered by an occupational health and safety management system	<b>23-34</b> <i>Advancing social issues</i>

GRI Indicator		Indicator Description	Page(s) / Location(s)
<b>GRI 403: Occupational Health and Safety 2018</b>			
	403-9	Work-related injuries	<b>23-34</b> <i>Advancing social issues</i>
	403-10	Work-related ill health	<b>23-34</b> <i>Advancing social issues</i>
<b>GRI 404: Training and Education 2016</b>			
	404-1	Average hours of training per year per employee	<b>23-34</b> <i>Advancing social issues</i>
	404-2	Programs for upgrading employee skills and transition assistance programs	<b>23-34</b> <i>Advancing social issues</i>
	404-3	Percentage of employees receiving regular performance and career development reviews	<b>23-34</b> <i>Advancing social issues</i>
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
	405-1	Diversity of governance bodies and employees	<b>23-34</b> <i>Advancing social issues</i>
	405-2	Ratio of basic salary and remuneration of women to men	<b>23-34</b> <i>Advancing social issues</i>



## About this Report

### Reporting period and frequency

The 2022 Sustainability Report is the second sustainability report of the Oetiker Group. The reporting period is from 1 January to 31 December 2022 (same as financial reporting). We report annually on our progress.

### Reporting Entities

The performance indicators presented in this report are based on data collected from all production facilities worldwide, excluding Sales Locations (mostly small, leased offices). In the year under review, 100% of production facilities reported on social and environmental indicators, covering the majority of the total workforce.

### Restatements

The following adjustments were made at the site level in 2022: correction of natural gas emission factors (CT, USA), correction of water and natural gas consumption figures (Canada), correction of natural gas calculations (MI, USA), correction of unit of measure for water consumption (NY, USA), addition of 2019 electricity and natural gas consumption (CT, USA), emissions factors updated at six sites (NY/CT USA, Germany, Poland, Spain, China)

### External assurance

This report was prepared with reference to the Global Reporting Initiative (GRI) standards. It was not externally audited.

### Sustainability Report Inquiries

<https://www.oetiker.com/en-us/contact-us>





Reliable Connections

*Over 80 years of social responsibility and sustainable business practices.*