

Report on child labour according to art.964I of Swiss Code of Obligations

This report is prepared for the Sauter Group in accordance with Article 964I of the Swiss Code of Obligations and the Ordinance on Due Diligence and Transparency with respect to Minerals and Metals from Conflict-Affected Areas and Child Labour and covers Sauter's due diligence efforts on child labour during the financial year 2023.

Companies within the scope of the VSoTr are required to have a supply chain policy on child labour. Sauter has already established a Supplier Code of Conduct in purchasing at Sauter headquarters, which addresses child labour, among other things, and which is shared with suppliers. We plan to define this Supplier Code of Conduct throughout the Group as a minimum standard to be fulfilled and to integrate it into the locally applicable supplier management processes (supplier on-boarding, supplier evaluation and supplier development) as a decision-making criterion.

With regard to the supply chain traceability system, our internal documentation system is currently focussed on Tier 1 suppliers. In particular, we plan to review our Tier 1 supply partners from risk countries, as defined by UNICEF and identify any potential suspected cases via the risk analysis. Compliance with the Supplier Code of Conduct is to be checked during regular supplier audits, incorporated into the risk assessment and considered in the development of our supplier portfolio.

We plan to introduce the grievance process already introduced at several Group companies with low-threshold reporting options throughout the Group and publicise the process to our business partners on our website or by other suitable media.

Basel, 27.6.2024