



# Annual Report 2024

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# Editorial

## Customer focus intensified in challenging market environment

2024 was a challenging year for Bystronic. Economic weakness and geopolitical uncertainty significantly impacted all markets. As a result, we recorded lower order intake and reduced customer activity in all regions, which was significant in some cases. As a result, a loss of CHF 84 million was recorded at the operating result (EBIT) level in the reporting year, including one-time restructuring costs of CHF 37 million.

In the second half of the fiscal year, we initiated a restructuring and realignment to intensify our focus on our customers: The Executive Board was reduced in size; group functions were consolidated, and our global operations were restructured. With this, we addressed the changing market dynamics and are ensuring future profitability over the economic cycles.

We advanced the customer-centricity by bundling our know-how and expertise into two newly formed divisions: Systems and Service. These allow us to better serve our customers and strengthen our position as a full solutions provider over the long term.

### Well positioned as full solutions provider

The trends of increased automation and digitalization continued to gain momentum in 2024. We benefited from this because, in addition to selling systems, we support our customers with automation, software and service solutions. We are consistently advancing our journey from a single machine manufacturer to a full solutions provider.

In 2024, we again proved ourselves as an innovation leader in systems and software related to sheet metal processing. We are proud to have received the Swiss Technology Award for our Intelligent Cutting Process (ICP). This innovative solution optimizes the cutting process with the help of sensors and artificial intelligence. We also launched several new products to the market, including a new modular bending cell. We showcased all the new products at exhibitions in Europe (EuroBLECH) and America (FABTECH), and at numerous customer events in our Experience Centers. We also inaugurated highly automated and networked Smart Factories for several customers worldwide.

### Reduced demand in all regions

Globally, economic growth in 2024 was limited. In EMEA, customers remained cautious due to economic weakness and uncertainty in key Eurozone markets, which led to delays in numerous project orders. In America, the uncertainty surrounding the presidential election slowed activity through year-end. High interest rate levels and restrained consumption in many markets reinforced the customers' cautious investment behavior.

In China, we were confronted with economic weakness due to geopolitical tensions, leading to overcapacity and low economic growth.

Sales in 2024 were CHF 648 million, lower than the previous year. Order intake also declined in all regions. Globally, we recorded a decrease of 21% (-19% at constant exchange rates) to CHF 625 million.

### **New executive management team**

Domenico Iacovelli assumed the role of CEO in July 2024. He visited all of Bystronic's production sites globally and is leading the repositioning of the company. He is doing all he can to make Bystronic more resilient, strengthen the brand, regain market share and position the company for profitable growth. Under Domenico's leadership, the number of members of Bystronic's Executive Board was reduced to four and a new divisional structure created.

### **Commitment to sustainability**

Sustainability is embedded in all areas of our company – in our strategy, our culture and our solutions. We are using the great leverage of our products: we are improving our performance and also helping to improve the sustainability of our customers through our solutions. Our Sustainability Report 2023 documents our progress in reducing energy consumption, waste generation and carbon emissions in line with our Science-Based-Target Initiative (SBTi).

### **Dividends**

The Board of Directors will propose to the Annual General Meeting on April 22, 2025, a dividend of CHF 4.00 per class A registered share and CHF 0.80 per class B registered share. In total, CHF 8 million will be distributed to shareholders. The proposal reflects the company's performance in the reporting year and is in accordance with the dividend policy.

### **Outlook**

2025 will be a transition year for Bystronic. The market environment will remain challenging. We expect order intake in the first half of the year to approximate the levels of the last few quarters, and to regain market share from the third quarter onwards. For the full year 2025, we anticipate a slight decline in sales and another loss. Over the economic cycles, Bystronic expects to achieve an average EBIT margin of 5 to 7%.

### **Great engagement despite challenges**

We greatly appreciate the extraordinary commitment of our employees and offer our sincere thanks. Their passion for our technology and our customers is unlimited and we are confident that we will lead Bystronic into a successful future. We also want to thank our business partners and our shareholders for their trust and support in this challenging time.

Zurich, February 27, 2025

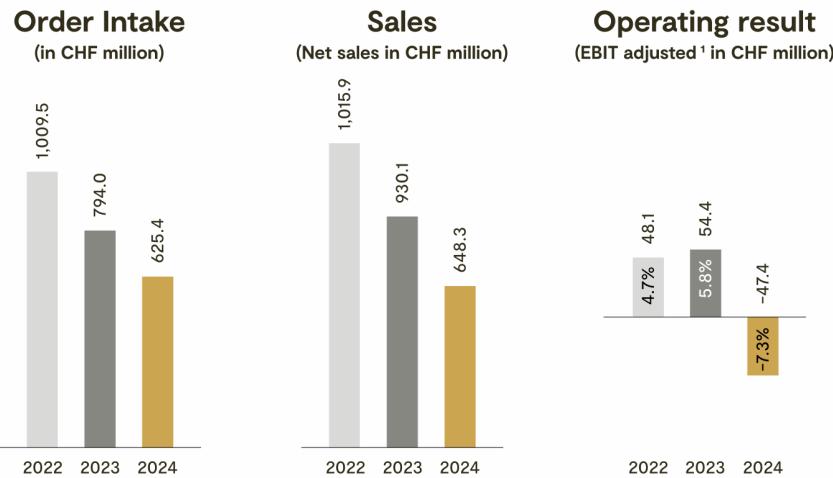


Dr. Heinz O. Baumgartner  
Chairman of the Board of  
Directors



Domenico Iacovelli  
CEO

## Key figures



CHF million	2024	2023
Order intake	625.4	794.0
Change compared to prior year	-21.2%	-21.4%
Change compared to prior year at constant exchange rates	-18.6%	-15.9%
Backlog	239.2	252.9
Net sales	648.3	930.1
Change compared to prior year	-30.3%	-8.4%
Change compared to prior year at constant exchange rates	-28.1%	-2.3%
EBITDA	-58.2	75.4
in % of net sales	-9.0%	8.1%
Operating result (EBIT) adjusted <sup>1</sup>	-47.4	
in % of net sales	-7.3%	
Operating result (EBIT)	-84.0	54.4
in % of net sales	-13.0%	5.8%
Net result	-67.6	41.9
in % of net sales	-10.4%	4.5%
Operating free cash flow	1.2	34.0
CAPEX	12.5	18.4
Net operating assets (NOA)	240.1	291.0
Return on net operating assets (RONOA)	-25.9%	14.2%
Equity	637.3	730.6
in % of total assets	69.2%	71.3%
Earnings per class A registered share in CHF	-32.67	20.28
Average number of full-time equivalents	3,268	3,573
Dividend per class A registered share in CHF	4.00	12.00
Dividend per class B registered share in CHF	0.80	2.40

<sup>1</sup> Before restructuring and impairment (note 1.3 in the financial report)



## Innovative technologies for sheet metal processing

### Bystronic is an industry leader

As a leading global technology company in sheet metal processing, Bystronic offers innovative laser cutting systems and press brakes, as well as automation, software and service solutions. Over our 40-year history, we have evolved from a provider of single machines to a full solutions provider. Today, we increasingly support our customers in the automation and digitalization of their processes.

Headquartered in Niederönz (Switzerland), Bystronic has production and development locations in Switzerland, Germany, Italy, China and the USA. Our distribution network includes sales and service subsidiaries in more than 30 countries, as well as representative agents in additional countries.

Bystronic's product portfolio is built in modules. These allow our customers to choose the configuration most appropriate to their individual needs. In addition to our wide range of products for bending and cutting flat sheet metal, we see great growth potential for our tube technologies. With systems for the processing of pipes and profiles, we are opening up new applications and markets.

Included in Bystronic's product portfolio are sheet metal processing machines from the DNE brand. DNE was created to provide solutions to the entry level market segment in China directly and through independent marketing agents globally.

### Sheet metal as material of the future for customers in diverse end markets

From agriculture and construction to transport and food production, almost every industry relies on sheet metal. The material is tried and tested, versatile in its applications, stable, easy to handle, durable and recyclable. Sheet metal will remain an important building block in many industries in the future. New manufacturing processes that require less fossil fuel are helping make steel production more sustainable, which improve the material's carbon footprint.

Our customers produce sheet metal parts as contract manufacturers or for their own portfolios. Customers with their own portfolios are original equipment manufacturers (OEMs) or they sell the manufactured parts for further processing. Since sheet metal is a material with very diverse applications, Bystronic's customers are active in a variety of end markets. Parts produced with our systems are used, for example, in kitchen appliances, construction machinery, engines, solar installations and wind turbines. The broad diversification of end markets helps reduce our dependence on economic trends and makes our business model more resilient.

### Automation, Service and Software increase customer productivity

Bystronic's strategy is to grow in systems, service and software, always with a focus on customer-centricity. In all three areas, we are well positioned to expand our business and regain market share. Our innovative product portfolio is a decisive driver of our growth in systems. We want to strengthen our position as a full solutions provider over the long term.

To help our customers minimize costly downtime, we have developed modular service offerings. Our globally standardized service program allows our customers to select annual contracts with different service levels and aims to provide proactive and regular machine maintenance to avoid operational disruption. Regular machine maintenance is crucial for our customers' productivity. Today, more than 90% of Bystronic systems sold include a service contract.

Our software solutions enable sheet metal processing companies to digitalize their production processes. The holistic solution BySoft Suite supports our customers in the preparation of quotes, monitoring of machine performance, analysis of production processes and coordination of the shipping of finished goods. Offering individual modules allows the customer to gradually build up their degree of digitalization, thereby achieving significant productivity improvements. We accompany our customers step by step through their digital transformation.

### **Building a customer-centric organization**

In September 2024, we decided to strengthen the customer centricity of our organization by creating two divisions: Systems and Service. In the Systems Division, we are bundling machines, automation and software, as well as R&D, product management and sales. By integrating all activities associated with our machinery business, we serve our customers better from a single source.

Bystronic remains committed to the production site in Niederönz (Switzerland), which produces very efficiently thanks to its optimized production depth. The headquarters also remains in Niederönz.

## Innovation and Technology

### Bystronic wins Swiss Technology Award

For the first time, Bystronic won the Swiss Technology Award in the Industry Innovation category for its new autonomy kit Intelligent Cutting Process (ICP). Twenty-four projects were submitted for consideration for this top Swiss award in innovation and technology. The award is a testament to Bystronic's innovation strength.

With the ICP, we can optimize and automate the cutting process, thereby addressing key challenges in the sheet metal processing market:

- **Production costs:** The laser cutting machine minimizes raw material use, waste and post-processing steps, which leads to considerable cost savings.
- **Personnel costs:** Automating the programming, set-up and monitoring of the laser cutting machine significantly reduces personnel costs because have to be reworked.
- **Shortage of skilled workers:** Automation of the cutting process reduces the need for highly qualified specialists.

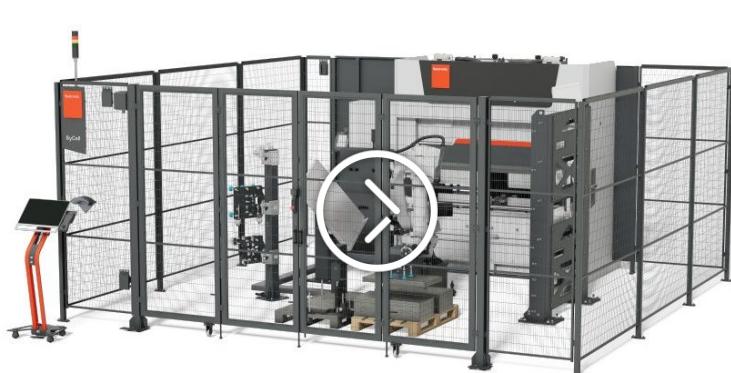
With this solution, we help our customers produce more sustainably, efficiently and cost-effectively. They benefit ecologically and economically thanks to a short amortization period for the investment.



In November 2024, we received the Swiss Technology Award for the first time – from Bystronic: Andreas Lüdi, Nino Di Pasquale, Stefan Kaltenbach and Titus Haas

## ByCell Bend Star M

At EuroBLECH, we launched the compact, modular ByCell Bend Star M bending cell. The new cell automates the bending process for parts up to 30 kg and 1200 mm wide and is the optimal mid-range solution between the small mobile bending robot and the large bending center:



Customers optimize their automated bending workflow thanks to the highly compact and flexible bending cell layout.

- **Modular design:** The modularity and flexible layout of the system allow our customers to adapt the bending cell to best suit their production.
- **Productivity:** Bending power with a press force of 120 tons and a bending speed of up to 25 mm/second increases productivity.
- **Automation for a high load capacity:** The integration of the latest generation of robots with a load capacity of 30 kg moves larger bending parts fully automatically.
- **Software for easy operation:** The bending cell uses the BySoft CAM bending robot for programming and handling the machine. The software enables less experienced operators to program quickly and easily in just a few minutes.

For our customers, automatically changing tools and grippers is an important added value of the modular bending cell. To ensure the high quality of bent parts, we offer the integrated laser angle measurement system (LAMS).

The ByCell Bend Star M achieved second place in the “Automation and Handling” category at the EuroBLECH Awards 2024.

## Digitalization

### First Smart Factory installed in Australia

The Australian lighting specialist Novon Lighting brought its vision of a Smart Factory to life. To install its environmentally friendly LED lighting solutions in public schools in the state of New South Wales, Novon needed a solution that automatically controlled all the processes for the production of 400,000 lights. They chose to collaborate with Bystronic because our BySoft Suite allowed the comprehensive automation and digitalization of the processes, while also ensuring on-site local service in Sydney. This showcase project went into operation in April 2024.

Novon's Smart Factory consists of:

- ByStar 3015 with 4 kilowatt
- BySort system
- ByTrans Modular with Flex 1.5 towers and storage system
- Xpert Pro 150/3100 with Bending Cell, connected to the storage system
- Mobile Bending Cell with Xpert 80

The Novon Smart Factory is a flagship project for Bystronic Australia. Its opening was celebrated at an Open House event with Novon and around 30 Australian companies.



We celebrated the opening of the first Smart Factory in Australia in April 2024 with an Open House event at Novon.

## Our Markets

### EuroBLECH – Europe's most important exhibition

Our Solution Forum and special consulting corners were the highlights of our exhibit design at EuroBLECH in Hanover (Germany) in October 2024. Numerous new products, podium discussions about sheet metal processing and a cozy lounge attracted many visitors to our stand. With 39,000 visitors attending the trade fair over four days, we experienced a great deal of interest in Bystronic.

In the Solution Forum – our hub for inspiration and knowledge – Bystronic customers, employees and external experts discussed solutions, products and trends for the first time. We talked about solutions with our customers. Lista – known for its functional and high-quality furniture for production halls – showed its journey to the Smart Factory and to the introduction of automated guided vehicles (AGV). Wiegand explained how our mobile bending cell has taken the production of slides and toboggan runs to the next level. The advantages of tube laser technology were presented by Edelstahl Weimar, a leading supplier in platform and stage production.

We also talked about global trends, including the industrial metaverse and its concrete applications at Bystronic. In addition, we explored how Bystronic uses artificial intelligence to help our customers.



In October 2024, we participated in EuroBLECH. The Bystronic stand was a highlight.

### FABTECH-Meeting point in North America

FABTECH, the leading exhibition for the sheet metal industry in North America, took place for the first time in October 2024 in Orlando, Florida (USA). The fair was an important opportunity for us to present our solutions, tend to the relationships with existing customers, and make new contacts. The event attracted almost 30,000 visitors, and we welcomed about 2,000 people to our stand.



FABTECH, the most important sheet metal fair in North America, took place for the first time in Orlando, in October 2024.

## Open House at Headquarters

“Long term partnerships in challenging times” – with this motto, we greeted our customers from Germany, Austria and Switzerland in the summer. At the Open House at our headquarters in Niederönz (Switzerland), we offered a tour of our production facilities with insights into our machine landscape and processes. Seeing the machines in action and interacting directly with our employees provide an important foundation for building trust in Bystronic. A special highlight was the tour of our clean room and the demonstration of the production of cutting heads—the heart of our laser systems.

The feedback from our customers was very positive. In the event video, they talked about the excellent partnership with Bystronic, being able to obtain everything from a single source, the good service provided and Bystronic’s customer focus, a customer said: “We made a conscious decision to choose Bystronic because we value the company’s quality and philosophy. And also, of course, because Bystronic is a Swiss manufacturer.”



Customers share why they value our long-standing partnerships in a video message.

## Bystronic Shanghai under one roof

Since 2001, Bystronic has been present in China with its own sales office. With the move to the Innovation Area of Shanghai, we achieved another important milestone. In the Yangtze River Delta region, we are much closer to our customers and can present our systems and solutions firsthand in our new Experience Center. We also moved our China Competence Center Automation there. Now we can offer our customers a comprehensive experience – from automated cutting and bending all the way to a complete Smart Factory solution.

Following the opening celebration of the new building, we invited our customers to our Competence Days. In product presentations, we showed them the latest manufacturing systems, software applications and services for sheet metal processing. Visitors and customers expressed great interest in the presentation of our products in the new 5,000 m<sup>2</sup> Experience Center.



Domenico Iacovelli (CEO), and Song You (President, Region China) welcomed customers at the opening and Competence Days.



## Declining demand and negative net result

Throughout 2024, Bystronic faced economic uncertainties, a persistently weak economy and internal challenges, particularly in the implementation of full solutions. Sales declined considerably and, despite cost reduction efforts, costs could not be covered, resulting in a loss. The cost reduction measures introduced at the beginning of the year were insufficient, so in September 2024, Bystronic launched a comprehensive action plan to ensure long-term profitability and strengthen Bystronic's position as a full solutions provider.

### Order intake and sales development

Order intake was CHF 625 million in 2024, 21% lower than prior year (-19% at constant exchange rates). The market environment was challenging and the overall economic environment difficult. The decline in global production activity continued. The Purchasing Managers Indices (PMI) in major industrial markets have been under 50 since the fourth quarter of 2022, reflecting an ongoing contraction of economic activity. Our customers were correspondingly cautious.

The challenges in project execution and customer satisfaction impacted our market position. Customers were reserved about Bystronic's full solutions offerings, which negatively impacted order intake.

Bystronic's 2024 sales were CHF 648 million, a decline of 30% (-28% at constant exchange rates). However, a strong base effect must be taken into account: The previous year's sales were positively impacted by a high order backlog at the beginning of 2023.

### Operating result (EBIT)

Bystronic experienced an operating loss (EBIT) of CHF 84 million in 2024 (2023: CHF +54 million). This was due to overcapacity and a high percentage of fixed costs. Despite cost reduction measures, the company could not compensate for the drop in sales and hence could not achieve a positive operating result.

The cost reduction measures introduced at the beginning of the year were insufficient and required more far-reaching measures. To increase profitability in the long term, Bystronic launched a restructuring in September 2024 that would result in annual structural savings of more than CHF 60 million. EBIT includes restructuring expenses and impairment losses of CHF 37 million, which are attributable to the cost reduction measures and had an additional negative impact on earnings. The adjusted operating result (EBIT) was CHF -47 million.

## Net result, cash flow and dividends

The net result was CHF -68 million (2023: CHF +42 million). Earnings per class A registered share was CHF -32.67.

Bystronic concentrated on the optimization of net working capital and achieved a slightly positive operating free cash flow of CHF 1.2 million despite the negative net result. Net working capital declined 36%, which is a disproportionately large reduction in relation to sales. Cash and cash equivalents and securities were CHF 323 million as of December 31, 2024, still at a very high level.

The Board of Directors is proposing for the April 22, 2025, Annual General Meeting, the distribution of a dividend of CHF 4.00 per class A registered share and of CHF 0.80 per class B registered share. In total, CHF 8 million will be distributed to shareholders. The proposal reflects the continued solid liquidity situation of the Group despite the loss and is in accordance with the dividend policy, which sets aside between one-third and one-half of the net result for distribution, taking into account the liquidity situation and the future needs of the Group.

## New organization structure and restructuring

In September 2024, Bystronic committed to a comprehensive restructuring to position itself closer to the customer and reduce its cost base. The regional organizational structure was replaced with a divisional structure and the size of the Executive Board team was reduced to four members. In addition to the Service Division, competencies in machinery, automation and software were bundled into the Systems Division to better serve customers, strengthen the company's position as a full solutions provider and respond with more agility to market needs.

Additional restructuring measures relate to the increased use of synergies. Included in this is the merging of group functions and the consolidation of global operating structures.

In total, the structural adjustments account for more than CHF 60 million in annual savings and should ensure profitability over the entire economic cycles.

## Outlook

2025 will be a transition year for Bystronic. The company expects the market environment to remain challenging, and in the first half of the year, order intake to be at the same level as in recent quarters. As of the third quarter, Bystronic expects to gain back market share. This will lead to increased sales in 2026.

Due to the low order backlog at the beginning of the year and the strength of the Swiss franc, Bystronic expects a slightly lower level of sales for 2025, as well as another operating loss. In total, the Group expects a weak beginning of the year and improvement over the course of the year.

Thanks to a proven strategy, the new divisional organizational structure, an optimized cost structure and the intact structural growth drivers, Bystronic sees itself solidly positioned for the future. It expects to achieve an average EBIT margin of 5 to 7% over the course of the economic cycles.



## Regional Business Review

### EMEA region

Bystronic generates about half of its sales in the EMEA region (Europe, Middle East and Africa). Due to economic uncertainty and structural weakness in key markets in the Eurozone, customers remained cautious, which led to delays in numerous project orders. Order intake declined 19% to CHF 299 million (-17% at constant exchange rates), which also reduced the order backlog. This resulted in sales of CHF 291 million, a decline of 36% (-34% at constant exchange rates) in comparison to the previous year.

In 2024 Bystronic realized several Smart Factory projects in the EMEA region, thereby enabling full production automation and the digitalization of all processes for our customers. A key building block of the automation is our BySoft Suite, which completely networks all production and business processes, enabling significantly improved productivity.

### Americas region

The Americas region is a very attractive market with high potential and good growth opportunities for Bystronic thanks to continued investments in automation and Smart Factories.

Nevertheless, 2024 was a challenging year in the USA. The uncertainty surrounding the US presidential election resulted in extended decision-making processes by our customers. Continued high interest rates also contributed to cautious capital allocation. In the USA, Bystronic is disproportionately active in the agricultural market with OEMs and their suppliers. Lower prices for agricultural produce led to a decline in farmers' willingness to invest, resulting in lower demand for agricultural machinery.

Due to the restrained market development, order intake declined 23% to CHF 222 million (-21% at constant exchange rates). Sales of CHF 256 million were 24% (-21% at constant exchange rates) below the previous year.

### China region

The Chinese economy performed weakly in 2024 due to global economic conditions and geopolitical tensions. Overcapacity, competitive pressures and subdued economic growth all significantly impaired the Chinese market. Investments in capital goods were extremely limited over the entire year. Especially in the sheet metal processing industry, there was intense competition in local markets. Many Chinese competitors significantly reduced their prices to remain competitive.

Order intake declined 13% (-9% at constant exchange rates) to CHF 57 million and sales were down 12% (-8% at constant exchange rates) to CHF 56 million.

There is growing demand for automation in China. With our Competence Center for Automation in Shanghai, Bystronic won the trust of customers and successfully realized important Smart Factory projects.

DNE, Bystronic's entry-level brand, is facing intense competitive pressure in China. Outside of China, where Bystronic markets these products through specialized partners, there is increasing demand in the entry-level segment worldwide and the business is developing well.

The China region recovered somewhat in the second half of the year and order intake was up more than 20% over the first half of the year.

## APAC region

The APAC region (Asia Pacific), one of the fastest growing economies, offers Bystronic great opportunities. This region is benefiting from the transfer of production capacity out of China to southeast Asia, which is leading to increased demand for sheet metal processing solutions. At the same time, Chinese competitors in the entry-level segment are increasingly active in this market.

Order intake fell 32% (-28% at constant exchange rates) to CHF 48 million in 2024. Sales declined 41% (-38% at constant exchange rates) to CHF 46 million.

At the beginning of 2024, customers were cautious due to economic uncertainties. The second half of the year, however, developed more positively and thanks to targeted customer events, order intake increased by more than 60% compared to the first half of the year.

# Corporate Governance

## Corporate Governance Report

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The following information is provided in accordance with the Directive on Information relating to Corporate Governance, published by the Swiss Stock Exchange, as valid on January 1, 2023. Bystronic AG also acts in accordance with the principles set forth by the Swiss Code of Best Practice for Corporate Governance of economiesuisse, which it implements in a manner commensurate with its size and structure. It consistently adheres to the statutory and regulatory requirements and requires its employees to comply with the same.

Much of the following information was taken from the Articles of Association and the Organizational Regulations of Bystronic AG. These two documents can be consulted on [Bystronic AG's website](#).

## 1 Group structure and shareholders

### 1.1 Group structure

In previous years, the Bystronic Group consisted of a single business unit, Bystronic, with four geographical regions. As of October 1, 2024, this structure was replaced by a divisional organizational structure with two divisions: Systems and Service. Bystronic AG, which is based in Zurich, holds direct or indirect equity interests in the companies listed in [section 4.3 of the Financial Report](#).

Bystronic AG is the only listed company. The Bystronic class A registered share (securities code number 24401750 and ISIN CH0244017502) is listed on the Swiss Stock Exchange. On December 31, 2024, the stock market capitalization (class A registered shares) amounted to CHF 566,370,000, while the total capitalization (class A registered shares plus class B registered shares) amounted to CHF 641,700,000.

### 1.2 Significant shareholders

According to the disclosure reports made to the company pursuant to Art. 120 ff. of the Financial Market Infrastructure Act (FMIA) the shareholder group Auer, Schmidheiny, and Spoerry held more than 3% of the voting rights in Bystronic AG on the balance sheet date. The members of the shareholder group Auer, Schmidheiny, and Spoerry are listed in the Financial Report under [notes to the financial statements of Bystronic AG](#). Disclosure notifications can be consulted on the [website of the Swiss Stock Exchange](#). On December 31, 2024, the share of voting rights in Bystronic AG held by the shareholder group Auer, Schmidheiny, and Spoerry amounted to 51.1%. This takes into account that treasury shares do not carry voting rights and have been deducted from the total outstanding shares.

UBS Fund Management (Switzerland) AG, Basel, holds 3.9% of the voting rights of Bystronic AG, according to a disclosure report dated May 8, 2024.

### 1.3 Cross-shareholdings

Bystronic AG does not have any cross-shareholdings with other companies that account for more than 5% of voting rights or capital.

## 2 Capital structure

### 2.1 Capital

According to Art. 3 of the Articles of Association of Bystronic AG, the share capital amounts to CHF 4,140,000, consisting of 1,827,000 class A registered shares with a nominal value of CHF 2.00 each and 1,215,000 class B registered shares with a nominal value of CHF 0.40 each. On December 31, 2024, the company did not have any conditional or authorized capital.

### 2.2 Changes in capital

There has been no change in the share capital of Bystronic AG in the last three reporting years.

### 2.3 Shares and participation certificates

Each share entitles to one vote at the General Meeting. According to Art. 15 of the Articles of Association of Bystronic AG, at least two representatives from each share class are entitled to a seat on the Board of Directors. The dividend entitlement of class A registered shares and class B registered shares (voting shares, unlisted) corresponds to the ratio between the nominal values of the two share classes. The company endeavors to distribute a proportion of between one-third and one-half of the net result, taking into account the company's liquidity situation and future needs. The share capital has been fully paid up.

The company has not issued any participation certificates.

### 2.4 Dividend-right certificates

Bystronic AG has not issued any dividend-right certificates.

### 2.5 Limitations on transferability and nominee registrations

Shares in the company are not subject to any restrictions on transfer. Accordingly, nominees are also entered in the share register.

### 2.6 Convertible bonds and options

Bystronic AG has no outstanding convertible bonds, and neither the company itself nor its Group companies have issued options on Bystronic shares.

### 2.7 Shares of the company

	Class A registered shares, nominal value CHF 2.00	Class B registered shares, nominal value CHF 0.40	Total
Number of shares	1,827,000	1,215,000	3,042,000
Share capital in CHF	3,654,000	486,000	4,140,000

## 3 Board of Directors

### 3.1 Members of the Board of Directors

According to Art. 14 of the Articles of Association, the Board of Directors of Bystronic AG consists of between five and eight members. On December 31, 2024, it was composed of the following eight members:

Name	Function on the Board of Directors	Function on the Audit Committee	Function on the Human Resources Committee	Year of appointment
Dr. Heinz O. Baumgartner	Chairman			2021
Dr. Roland Abt	Member	Chairman		2014
Dr. Matthias Auer	Member	Member		1996
Inge Delobelle	Member		Member	2022
Urs Riedener	Member		Chairman	2014
Felix Schmidheiny	Member	Member		2023
Robert F. Spoerry	Member		Member	1996
Eva Zauke	Member			2023

Felix Schmidheiny was elected as a new member of the Audit Committee at the meeting of the Board of Directors on February 27, 2024.

### 3.2 Curriculum vitae, other activities and vested interests



#### Dr. Heinz O. Baumgartner

Dr. oec. HSG, born in 1963, a Swiss national, was Chief Executive Officer of Schweiter Technologies from 2008 to 2022 and has been a member of its Board of Directors since 2020 as well as Chairman since 2023. From 1996 to 2013, he was Chief Financial Officer of Schweiter Technologies. From 1992 to 1995, he was Controller at ABB Switzerland. Heinz O. Baumgartner is a member of the Board of Directors of the United Grinding Group. Further mandates are listed in section 7.1 of the Compensation Report.

#### Dr. Roland Abt

Dr. oec. HSG, born in 1957, a Swiss national, is a member of the Board of Directors of Swisscom AG, Bern, and Chairman of the Board of Directors of Aargau Verkehr AG (AVA), Aarau. Previously, between 2004 and 2017, he was Chief Financial Officer of Georg Fischer Ltd., Schaffhausen, which he joined in 1996, initially as Chief Financial Officer of the Agie Charmilles Group (1997 to 2004). He held various positions at the Eternit Group in Switzerland and Venezuela (1987 to 1996). Further mandates are listed in section 7.1 of the Compensation Report.

#### Dr. Matthias Auer

Dr. iur., born in 1953, a Swiss national, has worked as an independent attorney and notary public in the Swiss canton of Glarus since 1981. Further mandates are listed in section 7.1 of the Compensation Report.



### Inge Delobelle

Lic. oec. KU Leuven, born in 1969, a Belgian national, has been Executive Vice President and Divisional CEO Industry at Grundfos in Bjerringbro (Denmark) since 2024. Previously, she was Chief Executive Officer of the BU Europe Africa at TK Elevator GmbH, Düsseldorf, from 2018 to 2023. She joined the ThyssenKrupp Group in 2001 and held various management positions in the services, steel, and elevator divisions. Among others, as CFO and later as CEO, she was responsible for the steel service activities of TK Service Acier (France) and the global access solutions business of TK Elevator. Prior to 2001, she was an investment banking consultant with the Metzler private bank, Frankfurt, for seven years. Further mandates are listed in [section 7.1 of the Compensation Report](#).



### Urs Riedener

Lic. oec. HSG, born in 1965, a Swiss national, was Chief Executive Officer at Emmi, Lucerne, from 2008 until the end of 2022. Until 2008, he headed the marketing department and was a member of the General Directorate of the Federation of Migros Cooperatives MGB in Zurich. From 1992 until 2000, he worked for Kraft Jacobs Suchard and the Lindt & Sprüngli Group in various management roles. He is Chairman of the Board of Directors of the Emmi Group, a member of the Board of Directors of Sandoz Group AG, and a member of the Advisory Board of Schwarz Unternehmensstreuhand KG. In addition, he is a member of the Executive Committee of the Institute for Marketing and Customer Insight at the University of St. Gallen (HSG). Further mandates are listed in [section 7.1 of the Compensation Report](#).



### Felix Schmidheiny

Master's degree in international business and law, born in 1984, a Swiss national, is a member of the Board of Directors of Plazza AG. Further mandates are listed in [section 7.1 of the Compensation Report](#).



### Eva Zauke

University degrees in computer science and business management, born in 1964, a German national, was Executive Vice President for Software Engineering at SAP SE and Engineering Location Lead for the SAP headquarters in Walldorf (Germany) until the end of 2024. Since joining SAP in 2005, she has held various leadership positions along the value chain (product management, engineering, go-to-market, education). Her professional career began at Deutsche Bahn, followed by several consulting and management positions at Oracle and the Deutsche Post DHL Group. Eva Zauke is currently participating in the Chief Technology Officer Program at the Massachusetts Institute of Technology. Further mandates are listed in [section 7.1 of the Compensation Report](#).



### Robert F. Spoerry

Dipl. Masch.-Ing. ETH, MBA, born in 1955, a Swiss national, is Chairman of the Board of Directors of Sonova Holding AG, Stäfa. Up until the 2024 Annual General Meeting, he was also Chairman of the Board of Directors of Mettler-Toledo International Inc., which he also headed as CEO from 1993 to 2007.

No member of the Board of Directors has worked in an executive role for Bystronic within the last four years and no member and no enterprise or organization represented by the members has any significant business relationship with the Group other than the status of a shareholder (see Financial Report, [notes to the financial statements of Bystronic AG](#)).

When filling future vacancies, attention will continue to be paid to ensuring that the Board has a diverse composition in terms of experience, industry know-how, geographical origin, and gender.

### **3.3 Rules contained in the Articles of Association Regarding the Number of Permitted Roles**

According to Art. 28 of the Articles of Association of the company, no member of the Board of Directors may accept more than ten additional mandates, including no more than four in listed companies. These restrictions do not apply to:

- Mandates in companies controlled by the company or that control the company.
- Mandates taken up by a member of the Board of Directors on the instructions of the company; no member of the Board of Directors may accept more than ten such appointments.
- Mandates in associations, charitable foundations, and pension foundations; no member of the Board of Directors may accept more than ten such appointments.

Mandates include appointments in the highest management body, executive management, or on the advisory board of another company with economic purpose. Mandates in different legal entities under joint control or with the same economic beneficiary are regarded as a single mandate.

### **3.4 Elections and terms of office**

The date of first election to the Board of Directors of each member is listed in the table under [section 3.1 Members of the Board of Directors](#). There are no limitations on the term of office. The Articles of Association do not contain any rules concerning the appointment of the Chairman, the members of the Compensation Committee, and the independent proxy that deviate from those prescribed by law.

### **3.5 Organization and definition of areas of responsibility**

The powers and tasks of the Board of Directors are determined by law and the Articles of Association along with the Organizational Regulations of Bystronic AG. These can be found on the [company's website](#), but not including the annexes.

#### **Board of Directors**

The Board of Directors of Bystronic AG bears responsibility for the overall management, supervision, and control of the Group and its management, and monitors compliance with the applicable legal provisions. It decides on the strategic targets of the Group and the financial and human resources necessary to achieve the targets. In doing so, the Board of Directors reviews strategy and targets, particularly in the context of Bystronic's sustainability endeavors (ESG). In addition, the Board of Directors determines the values and standards of the Group and ensures that the duties towards shareholders and other stakeholders are complied with. Specifically, the Board of Directors is vested with the following tasks in particular:

- Overall management of the company and the setting of targets relating to corporate policy and culture; approval of the Group strategy and the strategic priorities of the individual business units.
- Approval of the strategic and financial targets.
- Risk assessment for the Group.
- Decisions on the creation of new business units or the discontinuation of existing business units; approval of significant acquisitions, mergers, sales, or individual projects.
- Adoption of resolutions relating to contracts under which Bystronic AG acts as a party to mergers, spin-offs, transformations, or transfers of assets under the Mergers Act.
- The structuring of the accounting, financial control, and financial planning and the structuring of a comprehensive reporting system in line with the strategy.
- Approval of the applicable accounting standards, the framework for financial control, and the internal control system along with any significant changes to the same.
- Annual assessment and approval of the budget and strategic financial planning.
- Review and approval of the (Annual and Half-Year) Financial Statements and reporting.
- Compilation of the Annual Report and the Compensation Report.

- Notification of the court in the event of overindebtedness.
- Monitoring of the liquidity and the solvency of the company.
- Determination of the organization and the issuance of Organizational Regulations for the Group.
- Review and approval of the management principles, Group guidelines, and the Group management structure.
- Overall supervision of the persons entrusted with managing the company, including to compliance with laws, the Articles of Association, and regulations, and the implementation of the resolutions of the Board of Directors and the General Meeting.
- Appointment and dismissal of members of the Executive Board.
- Calling of Annual General Meetings and extraordinary General Meetings.
- Adoption of resolutions on proposals presented to shareholders.
- Implementation of resolutions adopted by shareholders.

On the basis of the Organizational Regulations, the Board of Directors has delegated the operational management of business to the Executive Board under the leadership of the CEO. The members of the Executive Board are responsible for the comprehensive operational management of their fields. They manage them in accordance with the strategy approved by the Board of Directors, the strategic financial planning, and the annual budget.

Important transactions that exceed a certain financial threshold must be presented to the Board of Directors in advance for approval, such as in particular decisions concerning the incorporation or sale of subsidiaries, the acquisition or sale of equity interests, restructuring projects, investments, acquisitions, divestments, the purchase and sale of real estate, the conclusion of rental agreements and leases, consultancy contracts, cooperations and strategic partnerships, major projects (e.g. in the field of IT, development, and organization), and financial obligations, the threshold values for which lie between CHF 3 million and 10 million, depending on the transaction.

The Board of Directors is authorized to pass resolutions on all matters not delegated or reserved to the General Meeting.

The Board of Directors convenes as often as business requires, but no fewer than five times a year. The CEO, the CFO, and the General Counsel, who also serves as the Secretary to the Board of Directors, are included in meetings of the Board of Directors unless decided otherwise by the Board of Directors in relation to individual agenda items. In addition, members of the Executive Board and other executives including on an occasional basis external consultants are involved for specific topics. In the reporting year, no representatives of external consultants were invited to meetings.

#### **Chairman of the Board of Directors**

The Chairman of the Board of Directors is elected by the Annual General Meeting. He coordinates the work of the Board of Directors, issues invitations to the meetings of the Board of Directors, determines the agenda, prepares the meetings together with the CEO, and chairs the meetings. He monitors the implementation of resolutions of the Board of Directors and the General Meeting.

#### **Cooperation between the Board of Directors and its Committees**

The Board of Directors may establish committees, unless such a right is vested by law in the General Meeting. It has established an Audit Committee with tasks relating to finances and auditing and a Human Resources Committee with tasks relating to personnel and remuneration.

Subject to legal provisions, the Board of Directors determines the duties of the committees. The overall responsibility for the tasks transferred to the committees remains with the Board of Directors. However, if the Board of Directors has granted a committee decision-making powers in areas that lie outside the non-transferable powers of the Board of Directors, the committee concerned bears sole responsibility for such decisions. Ordinarily, no specific decision-making responsibilities are transferred to the committees. They, thus, bear responsibility for the preparation of decision-making and the detailed examination of the matters they are to handle, and they submit proposals to the Board of Directors or inform the Board of Directors of their conclusions. The Human Resources Committee and the Audit Committee report on their activities, their results and proposals at the next Board of Directors meeting. The Board of Directors is informed immediately of important events. Minutes are taken on the meetings of the committees and their decisions, which are also presented to the other members of the Board of Directors.

### **Human Resources Committee**

The Human Resources Committee consists of those members of the Compensation Committee appointed to the task in the course of the Annual General Meeting held on April 17, 2024; see [section 3.1 “Members of the Board of Directors.”](#) In addition to its members, the Chairman of the Board of Directors, the CEO, and the Chief HR Officer of the Group generally also participate in meetings of the Human Resources Committee in an advisory capacity, albeit, in the case of the latter two, not when it comes to the determination of their own salaries.

In addition to the tasks outlined in a general manner in Art. 21 of Bystronic AG's Articles of Association, the Compensation Committee, acting in its capacity as the Human Resources Committee, executes additional tasks. Its tasks, which are described in the Organizational Regulations, essentially comprise the following:

- Proposals to the Board of Directors concerning rules for the compensation of the Board of Directors and the Executive Board.
- Examination of all compensation as to its permissibility.
- Recommendations to the Board of Directors concerning proposals to the Annual General Meeting on compensation.
- Proposals to the Board of Directors concerning the annual compensation of the members of the Board of Directors, the CEO, and the other members of the Executive Board.
- Preparation of the Compensation Report and discussion of the report with the auditors; proposals to the Board of Directors.
- Assessment of share and option plans in addition to bonus plans and other performance-related compensation, with regard to compliance with the relevant provisions of the Articles of Association and the payment of variable remuneration in cash or as options and shares to members of the Board of Directors and the Executive Board; proposals to the Board of Directors.
- Proposals to the Board of Directors concerning the definition of the principles applicable to the selection procedure for candidates for election to the Board of Directors or the Executive Board and preparation of a candidate shortlist.
- Preparation of medium- to long-term succession planning for members of the Board of Directors and members of the Executive Board.
- Recommendations concerning nominations of members of the Executive Board for the attention of the Board of Directors.
- Monitoring of diversity across all management levels within the Group, focusing specifically on the promotion of female leaders to management and Executive Board levels as well as future Board mandates.
- Monitoring of training and personnel development measures.
- Assessment and promotion of management staff and internal talent.
- Assessment of staff retirement benefits.
- Recommendations, where applicable, and monitoring of compliance with Group objectives in relation to personnel.
- Responsibility for the rules relating to permitted external mandates of Executive Board members; presentation of relevant proposals to the Board of Directors.

The Human Resources Committee convenes at least twice a year.

Additional details can be found in the activity report of the Human Resources Committee ([Human Resources Committee Report](#)).

### **Audit Committee**

In addition to its members (see [section 3.1 Members of the Board of Directors](#)), the Chairman of the Board of Directors, the CEO, and the CFO generally also attend the meetings of the Audit Committee in an advisory capacity. Upon invitation by the Chairman, the company's external auditors and internal auditors may also attend meetings or participate in the deliberations on individual items on the agenda. The essential tasks of the Audit Committee are described in the Organizational Regulations. They include in particular:

- Review and proposal to the Board of Directors concerning the organization of the accounting, financial control, and financial planning systems.
- Critical analysis of individual company and Group Financial Statements (Annual and Half-Year Financial Statements); discussion of these Financial Statements with the CFO and the external auditors; presentation of proposals to the Board of Directors concerning these Financial Statements.

- Assessment of the efficacy and performance of the external auditors and their fee, as well as their independence; decisions regarding the granting of additional mandates to the external auditors other than the auditing mandate; preparation of the proposal of the Board of Directors to the General Meeting regarding the election of the external auditors; proposals to the Board of Directors concerning the structure of the auditing mandate; assessment of the reports of external auditors (in particular the audit report and the comprehensive report pursuant to Art. 728b CO) and the discussion of these reports with the external auditors.
- Assessment of the functional capability of the internal control system, taking into account risk management, compliance, and internal auditing; discussion and definition of the audit program for the internal auditors; acceptance of reports from internal auditors and discussion of these reports with the internal auditors; reporting to the Board of Directors.
- Approval of the method used for assessing acquisitions within the Group and individual assessment of major acquisitions for the attention of the Board of Directors.
- Assessment of pension plans and the associated risks.
- Assessment of further Group solutions relating to finance, such as treasury, taxation, and dividend payments by the direct subsidiaries of Bystronic AG, etc.
- Assessment of initiatives by the Board of Directors relating to finance and accounting, such as the achievement of specific financial targets and key performance indicators (KPI); reporting to the Board of Directors on the fulfillment of targets.
- Preparation of reporting in the area of ESG (Environmental, Social, Governance); proposals to the Board of Directors.

The Audit Committee meets upon invitation by its Chairman as often as required by business, but no less than three times a year. At its meetings, it deliberates, among other things, any annually recurring issues in accordance with the description of tasks provided above and on the basis of a standard agenda. Additional information can be found in the activity report of the Audit Committee ([Report of the Audit Committee](#)).

#### Meetings of the Board of Directors and attendance

The Board of Directors and its committees hold regular meetings. These can be supplemented by additional meetings (in person or via video/telephone conference call). The meetings of the Board of Directors are called by the Chairman or at the request of a member of the Board of Directors. An outline of the various agenda items for each meeting is sent to all members in advance so that they can consider the matters to be discussed prior to the meeting.

At the meetings of the Board of Directors, a closed session is generally held, excluding the CEO and CFO or any other persons. Minutes of the Board of Directors' deliberations and the adopted resolutions are kept in writing.

The following table shows the number of meetings of the Board of Directors and its regular committees held in 2024, the average duration of the meetings, and the attendance of the individual members of the Board of Directors.

Meetings of the Board of Directors and attendance	Prior to the 2024 AGM				After the 2024 AGM			
	Meeting	Video conference	Audit Committee	Human Resources Committee	Meeting	Video conference	Audit Committee	Human Resources Committee
Average duration (hours)	4.6	0.5	3.5	3.0	5.4	-	2.3	3.0
Number of meetings	2	1	1	2	5	-	5	3
<b>Meetings attended</b>								
Dr. Heinz O. Baumgartner	2	1	1	2	5	-	3	3
Dr. Roland Abt	2	1	1	-	5	-	5	-
Dr. Matthias Auer	1	-	1	-	5	-	5	-
Inge Delobelle	2	1	-	2	5	-	-	3
Urs Riedener	2	1	-	2	5	-	-	3
Felix Schmidheiny	1	1	-	-	5	-	5	-
Robert F. Spoerry	2	1	-	2	5	-	-	3
Eva Zauke	1	1	-	-	5	-	-	-

### 3.6 Information and control instruments for the Executive Board

Bystronic has a sophisticated planning and information system. It is built from the bottom up with increasing consolidation.

The Board of Directors is informed in writing and orally of the strategies, plans, and results of the company. The Board of Directors receives a consolidated monthly statement outlining the key figures and commentaries on the relevant occurrences. In addition, the Board of Directors has access to the more detailed quarterly reports on the consolidated accounts for the Group. Each year, the Board of Directors is presented with the strategic financial planning and the annual operational plans for approval.

At each meeting, the CEO informs the Board of Directors of the current business performance along with important developments, projects, and risks. In urgent cases, the Board of Directors is informed immediately.

In the reporting year, in addition to regular periodic deliberations on business development, the Board of Directors focused on other topics, such as:

- The CEO succession plan
- The cost optimization program
- DNE Global strategy
- The development of market shares and activities
- Sustainability
- Risk assessment for 2024
- The new organizational structure and restructuring
- The use of liquidity
- Smart Factory updates
- The expansion of Automation in Switzerland

Bystronic applies methodological processes which the Board of Directors uses as a basis for assessing the business outlook and strategic, financial, and operational risks. Alongside the financial reports and analyses, these constitute the internal control system and strategic and operational risk management. The Board of Directors receives an annual report concerning the risk situation drawn up by the CEO in consultation with the CFO and the General Counsel. This report is based on individual risk analyses conducted with each member of the Executive Board, and in 2024, the former Extended Executive Committee.

Please refer to [section 3.7 Risk management](#) for information on the risk management process. Each year, the Board of Directors also receives the management letter from the external auditors and the comprehensive report of the external auditors for the Board of Directors.

The internal audit was undertaken by the auditing company Deloitte in previous years, and as of this financial year by EY. The internal auditors perform the internal operational audit function within the Group and report to the Chairman of the Audit Committee. The coordination of the implementation of audit tasks has been delegated to the CFO. The internal auditors carry out audits within the Group in accordance with the audit plan proposed by the Audit Committee and approved by the Board of Directors. The audits cover the following topics on a rolling basis:

- Effectiveness of selected operational processes at the Group level and of selected Group companies
- Effectiveness of governance and risk management guidelines and processes
- Effectiveness of internal control processes
- Reliability and comprehensiveness of financial and operational information
- Compliance with legal, statutory, and internal regulations

The internal auditors draw up reports containing recommendations for the local management and the Audit Committee. The local management states its position regarding the recommendations and, where it agrees with the recommendations, promptly implements corrective measures. If the local management rejects a recommendation whilst the internal auditors and the CEO wish to pursue it, it is implemented on the instructions of the Audit Committee. During the reporting year, four internal inspections were conducted by EY. The internal auditors attended three out of the six meetings of the Audit Committee.

Please refer to Section 3.5 for details regarding the CEO and the CFO's attendance of meetings of the committees of the Board of Directors.

### 3.7 Risk management

Bystronic promotes an entrepreneurial mindset and a systematic focus on innovation and sustainable value for the customer, while carefully managing risks, fully complying with the binding rules set out in the Code of Conduct, and taking appropriate account of the interests of all stakeholders. As is the case every year, the internal audit program was implemented in the reporting year.

In 2024, the Board of Directors again undertook an integral Group-wide risk assessment based on management reporting and the separate Group Risk Report, which covers the risk assessment process and the most significant risks. The risk management process, which has been implemented throughout the Group, encompasses the identification, evaluation, and qualitative appraisal of operational, financial, and strategic risks. It is combined with risk monitoring, action plans, and standardized reporting.

In the reporting year, the following risks in particular had priority at the Group level:

- **Competitiveness:** competition from low-cost suppliers in China, challenges of transforming from a vendor of individual machines to a provider of complex solutions
- **IT security/data protection:** risk of cyberattacks against Bystronic and its customers, ransomware attacks, protection of customer data, and compliance with data protection regulations.
- **Software:** challenges in the scalability of new software solutions.
- **Employees:** competition to recruit and retain talent, declining employee engagement.
- **Decoupling United States/China:** deterioration of the economic relations between the US and China with the resulting increase in state control and regulation.
- **Recession:** high interest rate environment, election year in the US.
- **Supply chains:** difficulties in procuring raw materials, components and transport capacities, dependence on individual suppliers.

In addition, other topics are systematically taken into account at the Group level and at the level of the country subsidiaries, in particular with regard to environmental, social, and governance (ESG) issues.

## 4 Executive Board

### 4.1 Members of the Executive Board

The members of the Executive Board report directly to the CEO. The CEO reports to the Board of Directors. On December 31, 2024, the Executive Board was composed of the following persons:

Name	Function	In function since
Domenico Iacovelli	CEO	2024
Beat Neukom	CFO	2021
Eamon Doherty	Head of Division Service	2016
Alberto Martinez	Head of Division Systems	2018



### **Domenico Iacovelli**

Information Technologist FA, specialized in application development, business economist NDS HF, born in 1976, a Swiss national. Domenico Iacovelli has extensive management and leadership experience with over 20 years in the sheet metal industry, including 13 years as a CEO. Before joining Bystronic as CEO in 2024, he served as CEO of the Schuler Group (an ANDRITZ Group company), the world's largest press manufacturer, since 2018. In April 2022, he was entrusted with additional duties and became a member of the ANDRITZ Executive Board. In this role, he was responsible for the Metals business area as well as the Group IT and Automation & Digitalization functions. From 2011 to 2017, he was CEO of Soutec, a company specializing in high-end laser welding applications. Since 2020, he has been the Chairman of the Board of Directors of Rey Technology Holding AG, Sirnach.



### **Beat Neukom**

Business economist HWV/Certified Management Accountant (CMA), born in 1970, a Swiss national. Beat Neukom joined Bystronic as Chief Financial Officer in May 2021, also taking over responsibility for the global IT organization in January 2022. Prior to joining Bystronic, he worked for the Merz Pharma Group (Germany), where he was group CFO from 2014 to 2021, responsible for finance, IT, and strategic sourcing. In addition, he was responsible for Merz Pharma's commercial operations in Latin America. Previously, he was CFO of two start-up companies in the life sciences industry, one of which he co-founded. From 1997 to 2008, he worked for the medical technology company Johnson & Johnson in Switzerland, the Netherlands, and the US.



### **Eamon Doherty**

With degrees in business administration, born in 1968, an Irish national, Eamon Doherty has headed the new Service division since October 1, 2024. He already had responsibility for this area beginning January 1, 2021, as Chief Service Officer. This role covers commercial aspects including customer satisfaction and improvements across all technologies. Joining Bystronic in 2016, he took over the responsibility for commercial excellence, supporting the organization on its journey towards world-class service. From 1994 to 2016, he worked for Ecolab Inc., a global organization that develops and offers services, technology, and systems for the chemical industry. During this time, he held various management positions, including as Vice President of North & Western Europe.



### **Alberto Martinez**

Computer engineer (University of Deusto), MBA (IESE Business School), born in 1971, a Spanish national, Alberto Martinez has headed the new Systems division since October 1, 2024. Previously, he led the Competence Center Software Services since September 2018 and the Solutions Center since August 2020. From August 2020 until December 2021, he also headed the global IT department. Prior to joining Bystronic, he worked as a software engineer for Lantek, from 1999 as Chief Technical Officer (CTO) and from 2004 to 2018 as CEO. He has a profound knowledge of the sheet metal processing industry and more than 25 years of experience in the field of software.

## **4.2. Rules contained in the Articles of Association regarding the number of permitted roles**

According to Art. 28 of the Articles of Association of the company, no member of the Executive Board<sup>1</sup> may accept more than four mandates, of which no more than two may be in companies listed on the stock exchange. Any such mandate must be approved by the Board of Directors.

These restrictions do not apply to:

- Mandates in companies controlled by the company or that control the company.
- Mandates taken up by a member of the Executive Board on the instruction of the company; no member of the Executive Board may take up more than ten such mandates.
- Mandates in associations, charitable foundations, and pension foundations; no member of the Executive Board may take up more than ten such mandates.

Mandates include appointments in the highest management body, on the executive management, or the advisory board of another company with economic purpose. Mandates in different legal entities under joint control or with the same economic beneficiary are regarded as a single mandate.

<sup>1)</sup> The term "Geschäftsleitung" used in the Articles of Association refers to the group of individuals designated in the Annual Report, in the Organizational Regulations, on the website of the Bystronic Group, and elsewhere as the "Konzernleitung".

## **4.3 Management contracts**

Bystronic AG has not concluded any management contracts with companies or individuals from outside the Group.

# **5 Compensation, shareholdings, and loans**

## **5.1 Content and procedure for the determination of compensation and shareholding programs**

Regarding compensation and shareholdings of members of the Board of Directors and the Executive Board, along with the content of, responsibility for, and the procedures for the determination of the compensation and shareholding programs and any loans, credit, or retirement benefits, please refer to the [Compensation Report](#).

## **5.2 Rules contained in the Articles of Association**

According to Art. 25 of the Articles of Association of Bystronic AG, the company may pay the members of the Executive Board a performance-related remuneration in addition to their fixed remuneration. The performance-related remuneration paid in any given year shall not exceed 150% of the fixed remuneration for that year.

The performance-related remuneration is determined in accordance with company targets. It may particularly take the following elements into account:

1. The achievement of planned targets within the area of responsibility
2. The long-term development of the company
3. Staff management and development
4. The development of the company's share price compared to the market

The remuneration of the Board of Directors and the performance-related remuneration of the Executive Board may be paid out in cash or by the allocation of shares in the company as well as through conditional subscription rights to these shares. The shares must be acquired on the market.

The remuneration may be paid out by the company or by companies controlled by it.

According to Art. 24 of the Articles of Association of Bystronic AG, the company or the companies controlled by it are empowered to pay an additional amount of up to 35% of the relevant approved total amount for the duration of the remuneration periods already approved to any member, who joins the Executive Board or is promoted within the Executive Board after remuneration has been approved by the General Meeting.

According to Art. 27 of the Articles of Association of Bystronic AG, the company or companies controlled by it may arrange for alternative retirement benefits for members of the Executive Board, who do not or who only partially benefit from Swiss pension funds.

The company or companies controlled by it may grant members of the Executive Board loans up to the value of their annual remuneration.

The Articles of Association do not contain any rules on loans, credits, or retirement benefits with respect to members of the Board of Directors.

The General Meeting has the non-transferable power to approve the compensation of the Board of Directors and the Executive Board ([Art. 9 sec. 5 of the articles of association of Bystronic AG](#)). According to Art. 23 of the Articles of Association, the General Meeting approves the proposals of the Board of Directors concerning the maximum total amounts a) of the direct and indirect remuneration of the Board of Directors for the period until the next Annual General Meeting; b) of the direct and indirect remuneration of the Executive Board for the following financial year.

The Board of Directors may present additional or differing proposals relating to the same period or other periods for approval by the General Meeting.

## 6 Participation rights of shareholders

### 6.1 Restrictions on voting rights and representation

Each class A registered share and each class B registered share is entitled to one vote at the General Meeting of the company (Art. 13 Para. 1 of the Articles of Association). The shares of Bystronic AG are not subject to any restrictions on voting rights per the Articles of Association.

Pursuant to Art. 689b CO, a shareholder may represent his or her own shares at the General Meeting or arrange for them to be represented by a third party. According to Art. 689c CO, shareholders may also authorize the independent proxy to exercise their voting rights. In addition, according to Art. 13 of the Articles of Association, the Board of Directors issues rules of procedure concerning participation in and representation at the General Meeting. The company recognizes only one representative per share.

The Articles of Association of Bystronic AG do not contain rules on issuing instructions to the independent proxy.

According to Art. 13 Para. 4 of the Articles of Association, the General Meeting may be held by electronic means, without a meeting venue, by order of the Board of Directors. In this case, the Board of Directors ensures the following:

1. The identities of participants are established
2. Votes in the General Meeting are transmitted directly
3. Each participant can submit proposals and participate in the discussion
4. Voting results cannot be falsified

### 6.2 Quorums stipulated in the Articles of Association

According to Art. 11 of the Articles of Association of Bystronic AG, a resolution by the General Meeting requires the agreement of at least two-thirds of the votes represented and an absolute majority of the nominal value of shares represented for the objects designated accordingly by law as well as for the following circumstances:

- Any amendment of the Articles of Association
- Any change to the share capital
- Any restriction or cancellation of the subscription right
- The dissolution of the company

Except as provided by Art. 704 CO, the General Meeting passes all other resolutions and conducts elections by an absolute majority of the votes cast, excluding blank and invalid votes.

### **6.3 Calling of the General Meeting**

According to Art. 8 of the Articles of Association of Bystronic AG, invitations to Annual General Meetings and extraordinary General Meetings are issued no later than 20 days prior to the date of the meeting by the Board of Directors or, where applicable, by the external auditors, by a notice published in the Swiss Official Gazette of Commerce. This must state the agenda items and the proposals of the Board of Directors and, where applicable, of the shareholders, who requested that a General Meeting be held or that a specific item be placed on the agenda. Proposals from the Board of Directors must be briefly justified, while those from shareholders may be briefly justified. The Board of Directors may amend excessively long or inappropriate justifications from shareholders after the deadline.

Shareholders representing at least 5% of the share capital or votes may request that a General Meeting be called.

### **6.4 Inclusion of items on the agenda**

Art. 8 of the Articles of Association of Bystronic AG stipulates that shareholders representing at least 0.5% of the share capital or votes may request that a specific item be placed on the agenda. The request must be filed with the company at least 40 days before the General Meeting.

### **6.5 Entries in the share register**

According to Art. 13 Para. 2 of the Articles of Association of Bystronic AG, the Board of Directors issues rules of procedure concerning participation in and representation at the General Meeting. The Board of Directors has resolved to set the cut-off date for participation in a General Meeting at five working days before the date of the meeting. The cut-off date is announced in the invitation to the shareholders. No entries may be made in the share register between the cut-off date and the date of the meeting. There are no rules that allow any exceptions to be granted.

## **7 Change of control and defensive measures**

### **7.1 Duty to make an offer**

According to Art. 6 of the Articles of Association of Bystronic AG, purchasers of shares in the company are not obligated to submit a public purchase offer in accordance with Art. 135 Para. 1 of the Financial Market Infrastructure Act (FMIA) (opting-out).

### **7.2 Change of control clauses**

No agreements or plans contain any change of control clauses in favor of the members of the Board of Directors. Regarding the share rights granted to certain employees of Bystronic (restricted share units), a change of control at the level of Bystronic AG, its merger with an unrelated company or the disposal of the entirety or majority of a business unit to an unrelated company would trigger the early transformation of the entitlement to Bystronic shares. Although in the latter case, only this applies those employees whose employment relationship with a company of the Bystronic Group has ended for this reason or has been transferred to the new owner. The vesting periods for the Bystronic shares allocated to the members of the Executive Board also terminate under the same circumstances.

## **8 Auditors**

### **8.1 Duration of mandate and term of office of chief auditor**

The mandate of the statutory auditor has been carried out by PricewaterhouseCoopers, Zurich, since the 2023 financial year. The chief auditor is Blazenna Kovács.

### **8.2 Auditing fee**

The auditing company PricewaterhouseCoopers charged the following fees for the reporting year:

- Auditing fees related to Bystronic: CHF 970,500
- Additional fees for organizational, tax and legal advice: CHF 15,000

### 8.3 Information tools pertaining to the external auditors

The Audit Committee, which was established by the Board of Directors to deal with financial and auditing matters, assesses the efficacy, performance, fees, and independence of the auditors, and reports to the Board of Directors on these matters on an annual basis. This assessment by the Audit Committee, in particular also regarding the quality of the auditing, is made during a discussion conducted following the presentation by the external auditors concerning the interim audit and the audit of the Annual Financial Statements. Without due cause, the Board of Directors does not carry out any further assessment.

When relevant to the subject matter, the auditors are invited to the meetings of the Audit Committee. During the reporting year, they attended five of the six meetings. In particular, the Audit Committee and the external auditors deliberate on the interim audit report, the Annual Financial Statements, the management letter, and the comprehensive report to the Board of Directors. The Chairman of the Audit Committee and the CFO inform the Board of Directors of the external auditors' reports, of their own assessment of the issues raised, and the measures taken. Together with the auditors, the Audit Committee establishes the key points of the audit for the attention of the Board of Directors.

The CFO prepares the matters in collaboration with the external auditors for deliberation by the Audit Committee and approval by the Board of Directors and he implements the recommended improvement measures.

With respect to non-audit services, attention is paid to ensuring that PricewaterhouseCoopers is not awarded any contracts that could lead to a conflict of interest with the audit mandate or to an impairment of its independence.

Please refer to [section 3.6 information and control tools for the Executive Board](#) for further details regarding the information tools available to the internal auditors.

## 9 Information policy

According to Art. 32 of the Articles of Association of Bystronic AG, the publication organ of the company is the Swiss Official Gazette of Commerce. In the cases prescribed by law, the company sends written notices to the shareholders or usufructuaries registered at the time of the notice by conventional mail to the address recorded in the share register or, in accordance with instructions from the shareholders, to their e-mail address recorded in the share register.

The company publishes an Annual Report for the period ending December 31 and a Half-Year Report for the period ending June 30, and releases information on order intake and consolidated revenues for the previous end of quarter in April and October. Interested parties can access the relevant media releases on Bystronic AG's website ([pull service](#)) or subscribe to an e-mail distribution list ([push service](#)). A media and analysts' conference is held for journalists and capital market participants in connection with the publication of the Annual Report and the Half-Year Report as per June 30. The Consolidated Financial Statements in accordance with Swiss GAAP FER provide a true and fair view.

This information and further details about the company, upcoming events, and contacts can be found on the Bystronic Group [website](#).

## 10 Trading blackout periods

In accordance with the internal regulations on insider trading, general trading blackouts apply during the following periods:

- December 1 until the day after the publication of the Annual Financial Statements of Bystronic AG.
- July 1 until the day after the publication of the Half-Year Financial Statements of Bystronic AG.

These general blackout periods apply to the Board of Directors, the Executive Board, the employees of Group Finance, and their support staff (e.g. assistants, consultants, and auditors).

In the context of special projects (primarily major acquisitions and divestments), the announcement of which could have a significant impact on the Bystronic share price, the CEO and CFO determine the point in time from which the persons involved are no longer permitted to trade Bystronic securities. The General Counsel maintains a list of insiders for the duration of the blackout period, which he updates in the event of changes and of which he notifies the insiders.

## Report of the Human Resources Committee



**“The successful change of CEO and the difficult economic situation characterized the strategic personnel work”**

**Urs Riedener**  
Chairman of the Human Resources Committee

Strategic human resources work in 2024 was influenced by the replacement of the CEO position and the economic challenges that necessitated a comprehensive reorientation of the organization.

On July 1, 2024, Domenico Iacovelli, an internationally experienced industry expert, took over the operational management of Bystronic. The selection of the new CEO was supported by the Human Resources Committee and the election was made by the entire Board of Directors.

The economic challenges of the machinery industry required extensive action. The cost-cutting measures already introduced early in the year were insufficient for achieving economic balance in the foreseeable future. A significant global reduction in headcount and the simplification of the organisational and management structure made important contributions. Following this logic, the executive management team was pared down and, since October 2024, has consisted of four members.

The Human Resources Committee convened five regular meetings during the reporting year, while additionally maintaining close contact. The members of the committee are Urs Riedener (Chairman), Inge Delobelle, and Robert F. Spoerry. As a general rule, the Chairman of the Board of Directors, the CEO, and the CHRO of the Group also participate in the meetings in an advisory capacity, albeit not when their own compensation is discussed.

The direction for our human resources and compensation strategy is based on three central areas of action defined as part of Strategy 2025:

**1. Culture & Leadership**

Focus on performance and learning culture, diversity, inclusion, employer branding, and the development of leadership competencies.

**2. Talent Management**

Measures for acquiring, developing, and retaining talent, succession planning, career development, and employee engagement.

**3. HR Processes & Efficiency**

Optimization and standardization of HR processes and systems, introduction of new concepts (e.g., compensation models), as well as data analytics and knowledge databases.

Bystronic has been able to achieve consistent progress in the development of global HR processes in recent years.

In addition to intensive support and supervision of the overall transformation by the human resources division, significant resources were invested in strengthening our employer branding. This included optimizing the careers website, creating and publishing authentic employee stories on social media.

In addition, a comprehensive job architecture was implemented to create a solid foundation for integrated, globally oriented human resources management. The compensation system for employees will be further developed with particular attention to this in the coming years, ensuring both internal and external comparability. Through an objective classification of jobs, we hope to strengthen the engagement and motivation of our employees for the long term.

The compensation strategy revised in 2021 and 2022 was again implemented consistently in 2024. Increased transparency in the presentation of compensation in the Annual Report had a markedly positive effect. At the 2024 Annual General Meeting, the Compensation Report was passed with 93.65% approval.

The compensation strategy is based on clear targets and comprises three central components:

**1. Short-Term Incentives (STI)**

Compensation is more closely tied to business success. In 2024, sales, EBIT, operating free cash flow, individual targets, and ESG targets (8% weighting) were evaluated. Due to target shortfall, the average payout rate was well below target.

**2. Long-Term Incentives (LTI)**

For the second time, the LTI model with Performance Share Units (PSUs) was implemented, unifying shareholder and management interests. PSUs are subject to a three-year vesting period based on EPS (earnings per share) and rTSR (relative total shareholder return).

**3. Sales Incentives Plan (SIP)**

A new Sales Incentive Plan was introduced for area sales managers, in order to foster profitable growth, reward individual performance, and create transparency in sales compensation.

The compensation system for the Board of Directors remained unchanged in the reporting year.

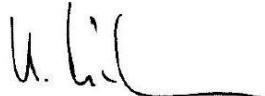
Regular review and further development of the compensation system is undertaken continuously, taking into consideration the dialog with different stakeholders, the business strategy, best practices, and market trends. Due to the reorganization, adjustments to both the compensation system and entitled parties are to be expected in the coming year.

As part of the Bystronic Group's sustainability strategy, targets were defined in the human resources area.

In addition, the performance targets set at the beginning of the year were evaluated, and the compensation for the Executive Board and the Board of Directors was determined and submitted to the committees responsible.

The compensation budgets approved at the 2023 and 2024 Annual General Meetings for the Board of Directors and the Executive Board were adhered to fully and in accordance with the Articles of Association. At the 2025 Annual General Meeting, the shareholders will decide on the future compensation budgets for these bodies and restate their positions on the 2024 Compensation Report by way of a consultative vote.

Our main objectives remain to put Bystronic back on a course for sustainable success with a strong leadership team to further strengthen operational management, while maintaining a focus on balancing the interests of shareholders, employees, and other stakeholders.



**Urs Riedener**  
Chairman of the Human  
Resources Committee



# Compensation Report

This report sets out the principles, programs, and the governance framework for the compensation of the Board of Directors and the members of the Executive Board of the Bystronic Group. In addition, the report contains detailed information on the compensation programs and the compensation paid to the Board of Directors for the 2024/2025 term of office and the Executive Board for the 2024 financial year.

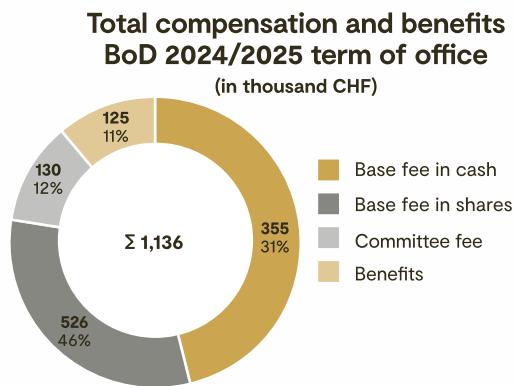
The report conforms to the relevant regulatory provisions, i.e. the revised law on companies limited by shares<sup>1</sup>, the SIX Swiss Exchange Directive on Information relating to Corporate Governance, and the Swiss Code of Best Practice for Corporate Governance published by the Swiss corporate union economiesuisse.

<sup>1</sup> The revised law on companies limited by shares superseded the provisions of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (ERCO) and has been in effect since January 1, 2023.

## 1 Compensation at a glance

### 1.1 Compensation of the Board of Directors

The total compensation and benefits of the Board of Directors (BoD), consisting of eight members, for the 2024/2025 term of office was comprised as shown below and will be paid out no later than ten days after the Annual General Meeting on April 22, 2025.



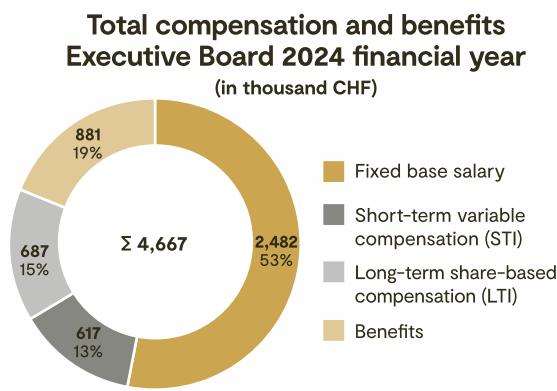
The shares remain restricted for a period of four years from the date of transfer. In total, 1659 class A registered shares will be transferred to the members of the Board of Directors in April 2025, at a share price of CHF 316.91 (average share price from November 1, 2024, through January 31, 2025).

In order to ensure the independence of the members of the Board of Directors in the exercise of their supervisory function, the compensation of the Board of Directors does not contain any performance-related elements.

## 1.2 Compensation of the Executive Board

As part of Bystronic's reorientation, the composition of the Executive Board underwent significant changes. Central to these were the change in top management and the reduction in the number of members from eight to four.

Domenico Iacovelli joined the company on June 1, 2024, and replaced Alex Waser as incumbent CEO on July 1, 2024. Johan Elster (President Region EMEA) and Norbert Seo (President Region APAC) left the company on March 31, 2024, and September 30, 2024, respectively. In addition, John-Paul Surdo (President Region Americas) and Song You (President Region China) resigned from the Executive Board on September 30, 2024, for the purposes of reorganization and continue to report directly to the CEO. The information below covers the total compensation for the Executive Board, including all persons named, for the reporting year; however, only  $\frac{3}{4}$  of the actual annual remuneration is shown for John-Paul Surdo and Song You respectively, due to their resignation from the Executive Board on September 30, 2024. The total compensation thus corresponds to 7.1 full-time equivalents (FTE).



For information on performance during the reporting year, please refer to [Section 5.2](#).

## 2 Governance framework for compensation

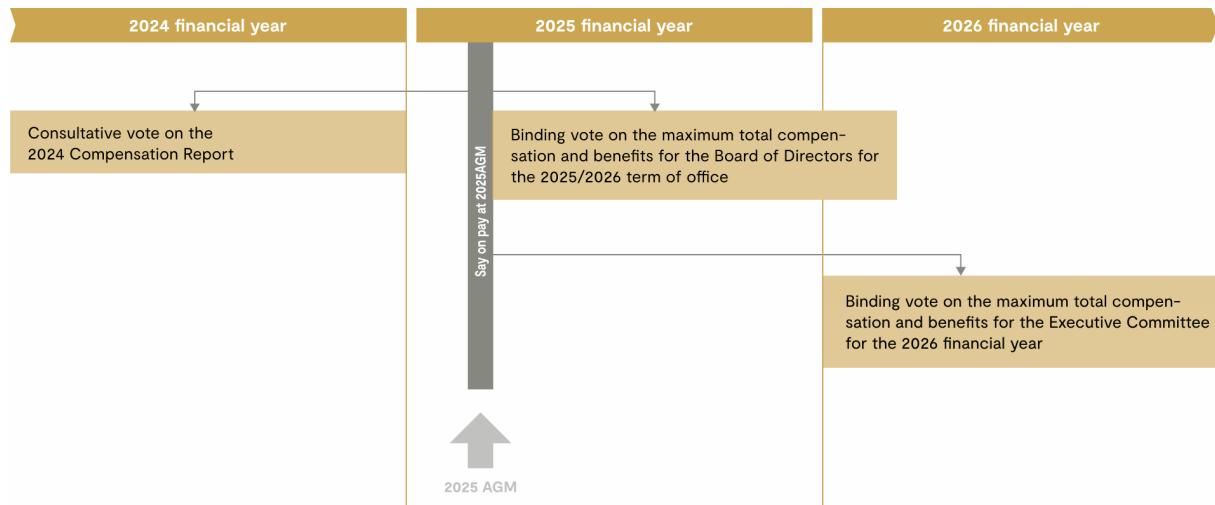
### 2.1 Involvement of shareholders

Over the past few years, the shareholders have played an increasingly important role in matters relating to compensation. In particular, the General Meeting approves the Articles of Association and their compensation-related provisions. These are available here and cover the following:

- Election for a one-year term of office of the members of the Compensation Committee (Art. 21).
- Approval of the maximum total compensation and benefits for the members of the Board of Directors for the next term of office (Art. 23 para. 1 let. a).
- Approval of the maximum total compensation and benefits for the members of the Executive Board for the following financial year (Art. 23 para. 1 let. b).
- Additional compensation for new members of the Executive Board (Art. 24).
- Principles governing the variable, performance-related compensation of the Executive Board and Board of Directors (Art. 25).
- Provisions regarding employment contracts of members of the Executive Board (Art. 26).
- Rules concerning loans and retirement benefits for members of the Executive Board (Art. 27).

Although not required by provisions of the Articles of Association, the Board of Directors also submits the Compensation Report to the Annual General Meeting each year for a consultative vote.

The following chart illustrates how the General Meeting (GM) exerts its “say on pay.”



## 2.2 Compensation Committee

### 2.2.1 Organization and tasks

The Compensation Committee consists of three members of the Board of Directors. The General Meeting individually elects the members of the Compensation Committee for the term of office until the conclusion of the next Annual General Meeting. In its function as the Human Resources Committee, the Compensation Committee also assumes other responsibilities. At the Annual General Meeting on April 17, 2024, Urs Riedener (Chairman), Inge Delobelle, and Robert F. Spoerry were elected to the Compensation Committee.

The Compensation Committee convenes as often as business requires, but at least three times a year. The tasks and responsibilities of the Compensation Committee comprise, among others, the following:

- Periodic review of Bystronic's compensation policy and principles.
- Review of the compensation system, the resulting payments to the Executive Board, and the compliance of these with the Articles of Association.
- Annual review of the individual compensation of the CEO, the members of the Executive Board, and the members of the Board of Directors as well as regular benchmarking with regard to compensation.
- Review, adaptation, and approval of the performance assessment of the CEO and the other members of the Executive Board.
- Preparation of the Compensation Report and deliberation of the report with the external auditors.

As a general rule, the Chairman of the Board of Directors, the CEO, and the CHRO participate in meetings of the Compensation Committee in an advisory capacity. The Committee Chairman may invite other individuals as appropriate. The CEO does not attend the meeting when his own compensation is the subject of deliberation.

After each meeting, the Chairman of the Compensation Committee reports to the Board of Directors on the activities of the committee. The minutes of the committee meetings are made available to all members of the Board of Directors.

The following table summarizes the decision-making powers for the most important compensation-related topics as stipulated by the Articles of Association and the Organizational Regulations of Bystronic AG:

Decision-making powers	CEO	Compensation Committee	Board of Directors	Annual General Meeting
<b>Topic</b>				
Compensation policy		proposes	approves	
Maximum total compensation and benefits of the Board of Directors		proposes	proposes	approves (binding vote)
Individual compensation of the members of the Board of Directors		proposes	approves	
Maximum total compensation and benefits of the Executive Board		proposes	proposes	approves (binding vote)
Individual compensation and terms of employment of the CEO		proposes	approves	
Individual compensation and terms of employment of the members of the Executive Board	proposes	proposes	approves	
Compensation Report		proposes	approves	approves (consultative vote)

The approval of the actual compensation of the Board of Directors and the Executive Board within the limits of the maximum compensation approved by the General Meeting is the responsibility of the Board of Directors.

### 2.2.2 Focus topics in the reporting year

In the reporting year, the Compensation Committee held five meetings. They were carried out according to the annual schedule, focusing on the following topics:

#### Review of the compensation strategy, policy, and governance

Proposals to the Board of Directors concerning the compensation policy for the members of the Board of Directors and the Executive Board

Preparation of proposals for the Annual General Meeting regarding the maximum total compensation and benefits for the Board of Directors and the Executive Board for the attention of the Board of Directors

Preparation of the Compensation Report for approval by the members of the Board of Directors

#### Compensation of the Board of Directors

Recommendation on compensation for the next term of office

#### Compensation of the Executive Board

Total target compensation 2025: Individual review

STI 2023: Evaluation of performance target achievement

STI 2025: Determination of target values

LTI 2024–2027: Specification of (long-term) target values; review of calculation at the fair value of allocated PSUs

Further information on the tasks and activities of the Compensation Committee/Human Resources Committee is in the Corporate Governance Report, [section 3.5 organization and definition of areas of responsibility](#) and in the [Human Resources Committee Report](#).

## 3 Compensation system and elements

### 3.1 Compensation of the Board of Directors

#### 3.1.1 Principles of the compensation policy

The compensation of the Board of Directors is guided by the market situation and specific tasks. In order to ensure the independence of the members of the Board of Directors in the exercise of their supervisory function, the compensation of the Board of Directors does not contain any performance-related elements. The compensation is based on the term-of-office compensation system and is partially paid out in the form of Bystronic AG shares, which remain restricted for a period of four years. This long-term vesting is aimed at ensuring sustainable corporate governance and aligning compensation with the interests of the shareholders.

The structure and amount of the compensation of the Board of Directors are periodically reviewed on the basis of publicly available information on comparable Swiss companies. Comparable companies are defined as globally active companies listed in Switzerland of similar size (market capitalization, sales, number of employees) and complexity. No such review was carried out in the reporting year.

#### 3.1.2 Compensation mix

The compensation of the members of the Board of Directors is comprised as follows:

Base fee in cash
+ Base fee in shares
+ Committee fee
= Total compensation
+ Benefits
= Total compensation and benefits

#### 3.1.3 Description of compensation elements

##### Base fee in cash

The annual base fee in cash is CHF 175,000 for the Chairman of the Board of Directors and CHF 45,000 for the other members of the Board. It is paid out annually for the previous term of office no later than ten days after the Annual General Meeting.

##### Base fee in shares

The annual base fee in the form of restricted shares is CHF 175,000 for the Chairman of the Board of Directors and CHF 50,000 for the other members of the Board.

The number of shares allocated is calculated on the basis of the regulatory entitlement divided by the average share price from November 1 to January 31 of the corresponding term of office (rounded up to the next whole number of shares). The transfer takes place no later than ten days after the Annual General Meeting. The allocated shares remain restricted for a period of four years. In the event that a member of the Board of Directors steps down, the allocated shares remain restricted until the four-year period has expired.

The allocated shares are repurchased on the market or taken from the company's treasury shares.

##### Committee fee

The annual committee fee in cash is CHF 30,000 for the Chairman of the committee and CHF 15,000 for the other members. The Board of Directors has established two committees: the Audit Committee and the Human Resources Committee. The committee fee is paid out annually in cash no later than ten days after the Annual General Meeting.

##### Benefits

The benefits comprise the employee's share of the statutory Swiss social security contributions on the total compensation (monetary benefit), the employer's share of the statutory social security contributions insofar as these are pension-forming, as well as lump-sum expenses. The latter amount is CHF 6,000 per year for the Chairman of the Board of Directors and CHF 5,000 per year for the other members of the Board. The Board of Directors' fees are not insured in the pension fund of Bystronic AG.

The chart below provides a summary of the compensation model:

Board of Directors compensation per year / term of office (in thousand CHF)	Base fee in cash	Base fee in shares	Committee fee in cash	Lump-sum expenses
Position				
Chairman of the Board of Directors	175	175		6
Member of the Board of Directors	45	50		5
Chairman of the Audit Committee			30	
Member of the Audit Committee			15	
Chairman of the HR Committee			30	
Member of the HR Committee			15	

## 3.2 Compensation of the Executive Board

### 3.2.1 Principles of the compensation policy

The principles of Bystronic's compensation policy support performance orientation within the company, a strategy geared toward profitable and capital-efficient growth, and the core values of responsibility, innovation, respect, and financial soundness. The principles comprise the following:

<b>Market orientation</b> The compensation level must be competitive and in line with the relevant market environment. Competitiveness is systematically reviewed on a regular basis.	<b>Performance orientation</b> A significant portion of the compensation must be linked to the financial success of the company, the successful implementation of the strategy, and the individual performance.
<b>Sustainability and long-term value creation</b> A substantial portion of compensation must be paid in the form of shares in order to align the interests of the management with those of the shareholders. In addition, the compensation must incentivize and reward responsible behavior towards other stakeholders – in particular customers, employees, suppliers, and the general public.	<b>Transparency and fairness</b> The compensation must be structured in a comprehensible, transparent, and fair manner.

When determining the target compensation for the members of the Executive Board, the level of compensation paid by other international industrial companies based in Switzerland is taken into consideration, insofar as these companies are comparable in terms of complexity, size (market capitalization, sales, number of employees), and geographical reach.

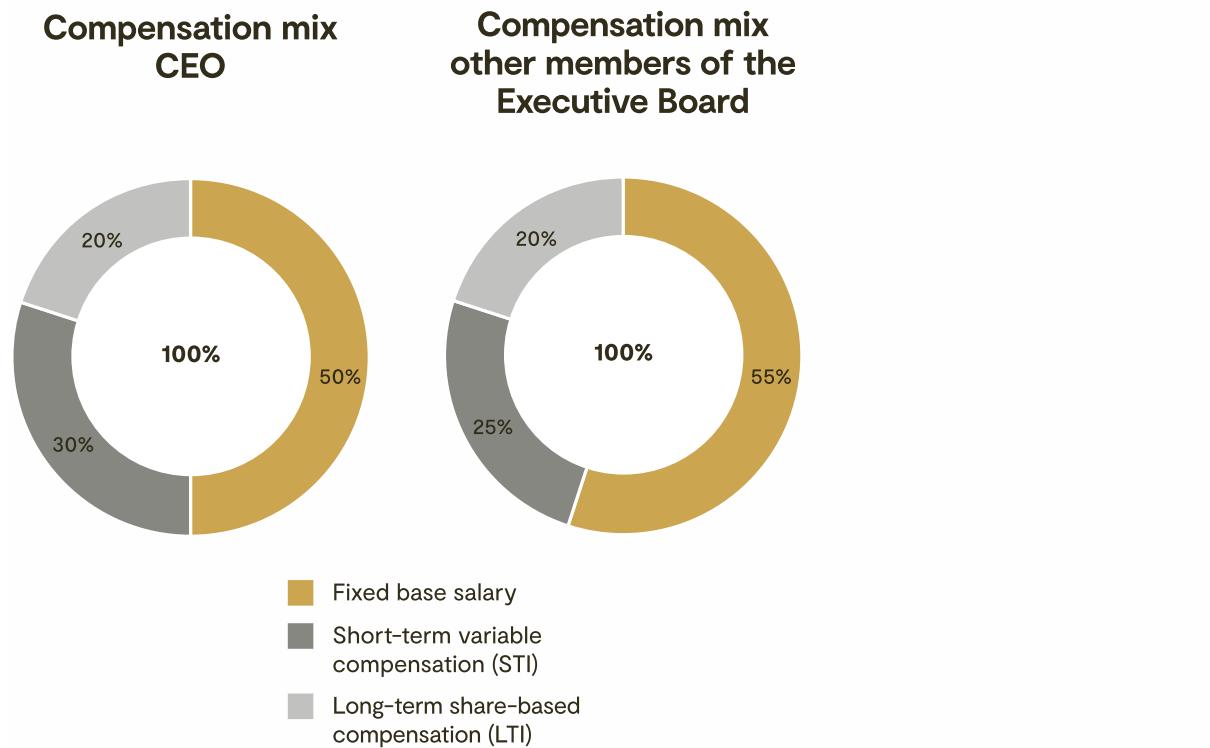
For this purpose, the compensation of the Executive Board is periodically reviewed on the basis of compensation studies conducted by third-party providers or publicly available data, such as the compensation, disclosure in the annual reports of relevant companies. No such review was carried out in the reporting year.

### 3.2.2 Compensation mix and overview of the variable compensation plans

The annual compensation of the members of the Executive Board is comprised as follows:

Fixed base salary
+ Short-term variable (target) compensation (Short-Term Incentive STI)
+ Long-term share-based (target) compensation (Long-Term Incentive LTI)
= Total (target) compensation
+ Social security and pension plans
+ Fringe Benefits
= Total (target) compensation and benefits

The following chart shows the composition of the total target compensation for the CEO and the other members of the Executive Board in the reporting year.



The structure of the variable compensation plans plays a key role in the compensation policy. The following overview summarizes this structure for the members of the Executive Board; the plans are described in detail in section 3.2.3:

	Short-Term Incentive (STI) Plan	Long-Term Incentive (LTI) Plan
Purpose	<ul style="list-style-type: none"> <li>- Incentivization of individual performance</li> <li>- Achievement of overriding financial results</li> </ul>	<ul style="list-style-type: none"> <li>- Alignment of Executive Board member interests with shareholder interests</li> <li>- Participation in Bystronic profit development</li> <li>- Retention of Executive Board members to Bystronic</li> </ul>
Eligible participants	All members of the Executive Board	All members of the Executive Board
Target value in % of total target compensation	<ul style="list-style-type: none"> <li>- CEO: 30%</li> <li>- Other members: 25%</li> </ul>	<ul style="list-style-type: none"> <li>- CEO: 20%</li> <li>- Other members: 20%</li> </ul>
Maximum value (cap) in % of target value	150%	200% <sup>2</sup>
Maximum value (cap) in % of annual base salary <sup>1</sup>	<ul style="list-style-type: none"> <li>- CEO: 90%</li> <li>- Other members: 68%</li> </ul>	<ul style="list-style-type: none"> <li>- CEO: 80%<sup>2</sup></li> <li>- Other members: 73%<sup>2</sup></li> </ul>
Minimum value in % of target value	0%	0%
Key performance indicators (KPIs)	<ul style="list-style-type: none"> <li>- Net sales (group and regions)</li> <li>- Operating result (group and regions)</li> <li>- Operating free cash flow (group and regions)</li> <li>- ESG targets (group)</li> <li>- Individual, qualitative targets</li> </ul>	<ul style="list-style-type: none"> <li>- Compound annual growth rate of earnings per share (EPS CAGR)</li> <li>- Relative total shareholder return (rTSR)</li> </ul>
Payout type	In cash	In Bystronic AG shares
Payout date	In April of the following year	After the 3-year vesting period
Effect of termination of employment and retirement	<ul style="list-style-type: none"> <li>- Resignation by an employee and ordinary termination by the employer: employee retains pro rata entitlement; maximum payout factor at 100%</li> <li>- Termination for cause by the employer: employee entitlement forfeited</li> <li>- Retirement: employee retains pro rata entitlement</li> </ul>	<ul style="list-style-type: none"> <li>- Resignation by an employee and termination for cause by the employer: forfeiture of all unvested PSUs</li> <li>- Ordinary termination by the employer: pro rata entitlement (until the end of the employment contract with regard to the vesting period) for PSUs allocated more than 12 months prior to the end of the employment contract</li> <li>- Retirement: pro rata entitlement (until the end of the employment contract with regard to the vesting period) for all allocated PSUs</li> </ul>
Clawback clause	Yes	Yes

<sup>1</sup> The performance-related compensation (STI + LTI) provided for in any given year may not exceed 150% of the fixed compensation for that year, according to Art. 25 of the Articles of Association.

<sup>2</sup> Excluding any rise in share price during the vesting period.

### 3.2.3 Description of compensation elements

#### Fixed base salary

The fixed base salary is paid out monthly in cash, based on the following factors:

- Scope and responsibilities of the respective function (job profile)
- Market value of the role (competitiveness)
- Internal peer comparisons (internal equity)
- Individual profile of the employee (skills, expertise, experience, and performance)

#### Short-term variable compensation (STI)

Bystronic's short-term variable compensation incentivizes both the achievement of the annual financial targets in terms of profit, sales/growth, and capital specified at Group and regional levels, as well as the achievement of Group-wide ESG targets and individual performance targets. All targets are agreed in writing at the beginning of the year. In addition to quantitative targets, qualitative targets of a strategic nature can also be applied as individual targets, such as the implementation of important projects relating to market, product, and human resources development, as well as M&A activities, for example.

The short-term variable target compensation amounts to 30% of the total target compensation for the CEO and 25% for the other members of the Executive Board.

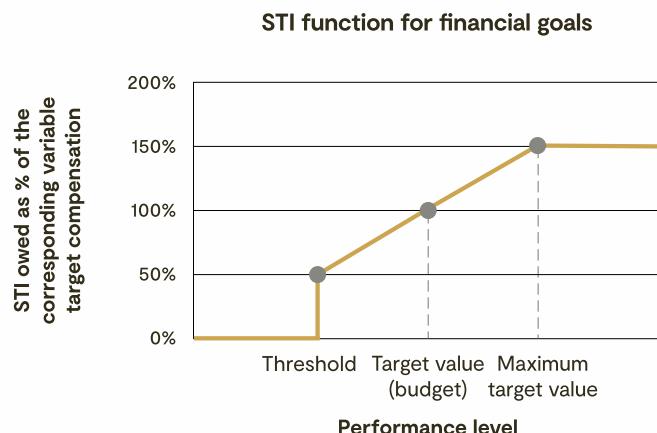
The weighting of financial targets for members of the Executive Board is 80%; the remaining 20% is split into 40% for ESG targets and 60% for individual qualitative targets. The targets are set annually within the framework of the budget and/or the individual target agreement process. The financial performance parameters for the CEO and CFO refer exclusively to the consolidated values of Bystronic; those for the regional heads of EMEA, Americas, APAC, and China (who resigned from the Executive Board during the reporting year) refer in equal parts to Bystronic and to the corresponding region; those for the heads of Global Service (Chief Service Officer) and Global Systems refer approximately 60% to Bystronic and 40% to the corresponding global division.

Financial performance measurement was based on the following performance parameters (KPIs):

- Net sales
- Operating result (EBIT)
- Operating free cash flow

As of the 2025 financial year, performance measurement will also incorporate order intake (OI).

For the financial targets, the target value generally reflects the budget target and is paid out at 100% upon target attainment; for each individual parameter, any deviations from the budget cause upward or downward adjustments using the following linear function, so that payments may vary between 0% and 150% (cap).



Based on the results achieved, the payment factor is determined for each agreed performance indicator. The weighted average of all payment factors will be multiplied by the short-term variable target compensation in order to derive the actual STI amount owed.

For further information on target values and results from the reporting year, please refer to Section 5.2.1.

#### Long-term share-based compensation (LTI)

In 2023, the Performance Share Unit (PSU) Plan was applied for the first time to members of the Executive Board. This replaced the two previous participation plans: the Restricted Share Plan (RSP) and the Restricted Share Unit (RSU) Plan. The RSP was used for the former CEO and the RSU Plan for the other members of the Executive Board. The final RSUs will be vested in April 2025. For a more in-depth description of both plans, please refer to the 2022 Compensation Report. Section 5.6 provides detailed information on the status of all ongoing and settled plans.

The aim of the new PSU Plan is the close alignment of Executive Board members' interests with those of shareholders. In particular, the plan is meant to reward high entrepreneurial achievement, foster long-term, sustainable corporate governance, and ensure that the members of the Executive Board participate in the long-term performance of the company.

Under the PSU Plan, members of the Executive Board will be granted a specific number of Performance Share Units (PSU) annually. A PSU entitles the plan participant to receive one share in the future, provided certain conditions are fulfilled at the end of the vesting period. The number of allocated PSUs is based on the target LTI value guaranteed by the employment contract. The target LTI value amounts to 20% of the total target compensation for all Executive Board members, including the CEO. The target LTI value divided by the fair value of the PSUs on the day of allocation yields the number of PSUs granted, whereby fractions are rounded up to the next whole number. The fair value of the PSUs will be determined by a specialized consulting firm according to internationally recognized methods. The allocation takes place every April 1.

The allocated PSUs are vested after three years; for each vested PSU, the plan participant is entitled to a class A registered share of Bystronic AG. The number of PSUs actually vested depends on the fulfillment of two specific performance targets over the three-year performance period. The following two performance factors are calculated based on actually achieved results:

- Earnings per share factor (EPS factor)
- Relative total shareholder return factor (rTSR factor)

Both factors have a weight of 50% in the calculation of the performance factor; accordingly, the performance factor is the simple average of the EPS and rTSR factors. Both factors fall between a minimum of 0% and a maximum of 200%.

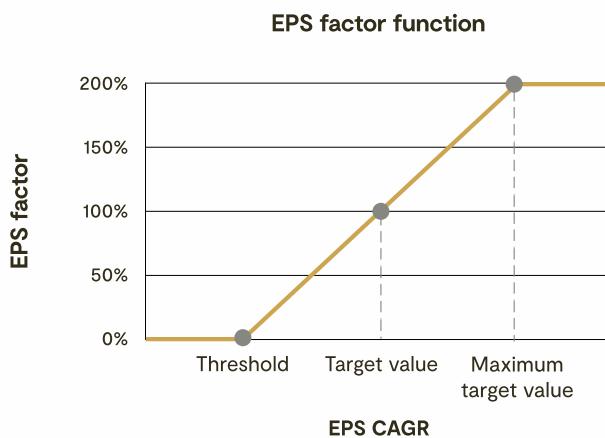
#### **EPS factor**

The average annual EPS growth rate (EPS CAGR) is calculated by comparing the EPS in the third year of the performance period with the EPS of the financial year preceding the allocation of PSUs.

The Board of Directors determines the target values (target value, minimum target value, maximum target value) for profit growth in view of the medium- and long-term corporate strategy.

If only the minimum target value is reached or if the minimum target value is not reached, the EPS factor is 0%; when the target value is attained, the EPS factor is 100%; and if the maximum target value is achieved or exceeded, the EPS factor is 200%. The EPS factor for all results between the target values is determined through linear interpolation.

The EPS factor function is thus modeled as follows:



Bystronic takes responsibility for disclosing target achievement and the corresponding payouts at the end of each vesting period.

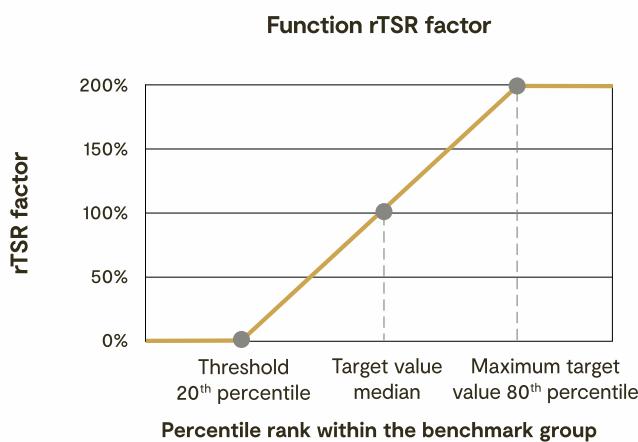
#### **rTSR factor**

The rTSR factor refers to the total shareholder return (TSR) achieved in comparison to TSRs of other Swiss industrial companies (= benchmark group). The benchmark group consists of all companies that are part of the "Swiss Performance Index SPI® Industrials." Performance is measured by means of a percentile ranking.

The total shareholder return, as a percentage, is determined by dividing the volume-weighted average price (VWAP) for the month of December in the last financial year of the performance period by the volume-weighted average price for the month of December in the financial year preceding the PSU allocation. In addition to share price development, the TSR calculation takes into account dividends paid out during the performance period. To this end, it is assumed that these were reinvested in shares of the corresponding company at the time of distribution. All calculations for rTSR will be carried out by an independent consulting firm specializing in this matter.

The target value (rTSR factor 100%) is attained when the total shareholder return of the company corresponds to the median TSR within the benchmark group. The maximum target value (rTSR factor 200%) is achieved when the total shareholder return of the company reaches or exceeds the 80<sup>th</sup> percentile within the benchmark group. The minimum target value (rTSR factor 0%) is met when the total shareholder return of the company reaches or falls below the 20<sup>th</sup> percentile within the benchmark group. The rTSR factor for all results between the target values is determined through linear interpolation.

Independently from the percentile ranking attained, the rTSR factor is limited to 100% if the TSR of the company over the course of the performance period is negative.



#### Conditions in case of termination of employment

If the employment relationship with the plan participant is terminated prior to the expiration of the vesting period due to resignation by the plan participant or due to termination for cause by the employer, all unvested PSUs are forfeited as of the end of the employment contract. All vested restricted shares remain blocked until the end of the regular blocking period.

If the employment relationship with the plan participant is terminated prior to the expiration of the vesting period due to ordinary termination by the employer, all PSUs allocated less than 12 months prior to the end of the employment contract are forfeited. For all PSUs allocated more than 12 months prior to the end of the employment contract, the plan participant retains a pro rata entitlement based on the period from the day of allocation up until the end of the employment contract. The performance factor is determined based on interim results and is capped at 100%. The settlement is paid out in cash at the end of the employment contract. In contrast, all vested restricted shares remain blocked up until the end of the regular blocking period.

If the employment relationship with the plan participant is terminated prior to the expiration of the vesting period due to retirement, the plan participant retains a pro rata entitlement to all allocated PSUs based on the period from the day of allocation up until the end of the employment contract. The settlement is paid out regularly after the expiration of the vesting period and based on the actual results for the performance factor. The settlement is paid out in shares. Of the transferred shares, 60% will be restricted for two years starting from the day of vesting, as is the case for regular plan participants.

#### Social security and pension plan

The members of the Executive Board are covered by social security in accordance with the legal regulations and they participate in the social security and pension plans available in their country of employment. The primary purpose of this is to ensure a reasonable standard of living for the members of the Executive Board and their dependents after retirement or in the event of sickness, disability, or death.

The salaries of members of the Executive Board with Swiss employment contracts are insured up to a defined threshold value through the regular pension fund for employees in Switzerland, as well as through a separate pension plan for additional amounts. The plan benefits exceed the statutory provisions of the Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and correspond to the standard market practice of other industrial companies in Switzerland.

Members of the Executive Board with an employment contract outside of Switzerland are insured according to local market practice and legislation.

**Fringe benefits**

In addition, members of the Executive Board are entitled to certain fringe benefits that are customary in the respective country of employment, such as a company car and other benefits in kind. Executive Board members in Switzerland also receive a lump sum expense allowance in line with the applicable expense regulations approved by the tax authorities.

**3.3 Contractual terms for members of the Executive Board**

The employment contracts of members of the Executive Board are concluded for an indefinite period and stipulate a notice period of twelve months for the CEO and as a general rule six months for the remaining members of the Executive Board. They do not contain any agreement on severance payments or change-of-control clauses.

## 4 Compensation of the Board of Directors

The following tables in Sections 4.1 and 4.2 list the compensation of individual members of the Board of Directors for the 2024/25 (8 members) and 2023/24 (8 members) terms of office.

### 4.1 Compensation of the Board of Directors for the 2024/2025 term of office

Compensation of Board of Directors for the 2024/2025 term of office (audited)	Base fee in cash CHF thousand	Base fee in shares <sup>1</sup> CHF thousand	Committee fee/ Additional fee <sup>2</sup> CHF thousand	Benefits CHF thousand	Total compensation and benefits <sup>2</sup> CHF thousand
Dr. Heinz O. Baumgartner Chairman of the Board of Directors	175.0	175.3	0.0	46.2	396.5
Dr. Roland Abt <sup>3</sup> Chairman of the Audit Committee	45.0	50.1	30.0	10.5	135.6
Dr. Matthias Auer Member of the Audit Committee	0.0 <sup>4</sup>	50.1	15.0	7.1	72.2
Inge Delobelle Member of the Human Resources Committee	45.0	50.1	15.0	5.0	115.1
Urs Riedener Chairman of the Human Resources Committee	45.0	50.1	30.0	19.7	144.8
Felix Schmidheiny	0.0 <sup>4</sup>	50.1	15.0	12.0	77.1
Robert F. Spoerry Member of the Human Resources Committee	0.0 <sup>4</sup>	50.1	15.0	7.4	72.5
Eva Zauke	45.0	50.1	10.0 <sup>5</sup>	17.1	122.2
<b>Total</b>	<b>355.0</b>	<b>526.0</b>	<b>130.0</b>	<b>125.0</b>	<b>1,136.0</b>

<sup>1</sup> In total, 1,659 shares will be transferred to members of the Board of Directors in April 2025, at the average share price of CHF 316.91; the transferred shares will remain restricted for a period of four years.

On April 23, 2024, the blocking on a total of 535 shares belonging to members of the Board of Directors at the time, as well as former members, was lifted; these were transferred in 2020.

<sup>2</sup> The total compensation will be paid out to members of the Board of Directors in April 2025.

<sup>3</sup> Dr. Roland Abt has been Chairman of the Board of Trustees of the Conzzeta Pension Fund since 2022. This function entitles him to a gross annual fee of CHF 15,000, which is not included in the amount disclosed.

<sup>4</sup> Dr. Matthias Auer, Felix Schmidheiny, and Robert F. Spoerry, as members of the shareholder group Auer, Schmidheiny, and Spoerry, waived their base salary in cash for the 2024/2025 term of office.

<sup>5</sup> The Board of Directors granted its member Eva Zauke an additional gross fee of CHF 10,000 as compensation for her additional efforts consulting in the area of Software solutions.

## 4.2 Compensation of the Board of Directors for the 2023/2024 term of office

Compensation of Board of Directors for the 2023/2024 term of office (audited)	Base fee in cash	Base fee in shares <sup>1</sup>	Committee fee/Additional fee	Benefits	Total compensation and benefits <sup>2</sup>
	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand
Dr. Heinz O. Baumgartner Chairman of the Board of Directors	175.0	175.4	0.0	42.1	392.5
Dr. Roland Abt Chairman of the Audit Committee	45.0	50.2	35.0 <sup>3</sup>	11.7	141.9
Dr. Matthias Auer Member of the Audit Committee	45.0	50.2	15.0	9.6	119.8
Inge Delobelle Member of the Human Resources Committee	45.0	50.2	15.0	5.0	115.2
Urs Riedener Chairman of the Human Resources Committee	45.0	50.2	40.0 <sup>4</sup>	19.3	154.5
Felix Schmidheiny	45.0	50.2	0.0	14.7	109.9
Robert F. Spoerry Member of the Human Resources Committee	45.0	50.2	15.0	7.4	117.6
Eva Zauke	45.0	50.2	0.0	5.0	100.2
<b>Total</b>	<b>490.0</b>	<b>526.8</b>	<b>120.0</b>	<b>114.8</b>	<b>1,251.6</b>

<sup>1</sup> In total, 1,133 shares were transferred to the Board of Directors in April 2024, at the average share price of CHF 465.27; the transferred shares will remain restricted for a period of four years.

On April 17, 2023, the blocking on a total of 669 shares belonging to members of the Board of Directors at the time, as well as former members, was lifted; these were transferred in 2019.

<sup>2</sup> The total compensation was paid out to members of the Board of Directors in April 2024.

<sup>3</sup> The transition from Conzzeta to Bystronic required the Board of Directors to oversee operational processes. To compensate for this additional workload, the Board of Directors granted its member Dr. Roland Abt an additional fee of CHF 5,000.

Dr. Roland Abt has been Chairman of the Board of Trustees of the Conzzeta Pension Fund since 2022. This function entitled him to a gross annual fee of CHF 15,000, which is not included in the amount disclosed.

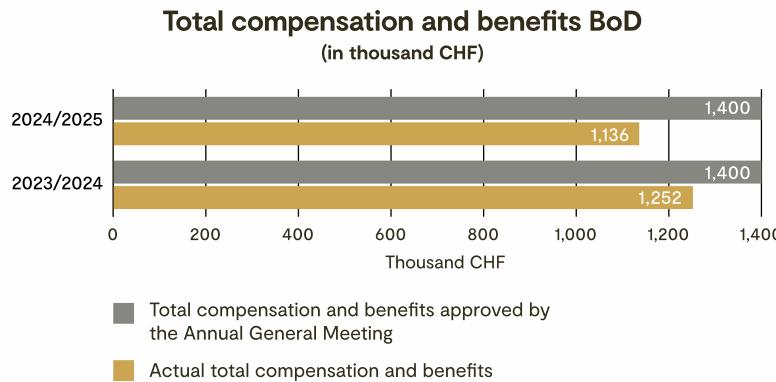
<sup>4</sup> As compensation for his additional efforts as Chairman of the Human Resources Committee, the Board of Directors granted Urs Riedener an additional fee of CHF 10,000.

## 4.3 Development of compensation paid to the Board of Directors

The total compensation of the Board of Directors decreased during the reporting year by CHF 115,600 compared to the prior year due to the partial waiver of fees by the Board of Directors members Auer, Schmidheiny, and Spoerry. No adjustments were made to the fees for the Board of Directors during the reporting year.

## 4.4 Compliance of compensation paid to the Board of Directors

At the Annual General Meeting on April 17, 2024, a maximum amount of CHF 1.40 million was approved for the total compensation and benefits for the Board of Directors for the 2024/2025 term of office; the actual total compensation and benefits for the members of the Board of Directors amounted to CHF 1.14 million (prior year CHF 1.25 million).



The compensation paid out is in accordance with Swiss law, the provisions of the Articles of Association, and the regulations for the compensation of the Board of Directors.

No loans or credits were granted to members of the Board of Directors or related parties in the reporting year.

## 5 Compensation to the Executive Board

The following tables in Sections 5.1 and 5.3 show the compensation paid to the members of the Executive Board in the reporting year and in prior year, including the respective highest individual compensation. In addition, the compensation for the current CEO will also be indicated for the reporting year.

### 5.1 Compensation of the Executive Board for the 2024 financial year

Compensation of the Executive Board for the 2024 financial year (audited)	Fixed compensation		Variable compensation		Benefits		Total compensation and benefits	
	Base salary	Variable compensation		Social security and pension plan <sup>2</sup>	Fringe benefits			
		Short-term variable compensation	Long-term share-based compensation <sup>1</sup>					
	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand	
<b>Executive Board (7.1 FTE)<sup>3</sup></b>	<b>2,481.6</b>	<b>617.2<sup>4</sup></b>	<b>687.0</b>	<b>496.2</b>	<b>384.7</b>		<b>4,666.7</b>	
Current CEO, D. Iacovelli (entry, June 1, 2024)	379.2	227.5 <sup>5</sup>	151.8 <sup>6</sup>	84.7	28.6		871.8	
Highest individual amount: former CEO, A. Waser <sup>7</sup>	603.6	76.1	80.8	164.5	21.2		946.2	

<sup>1</sup> This figure refers to the Performance Share Units (PSU) granted in the reporting year. The disclosed value corresponds to the fair value of the allocated PSUs (1PSU = CHF 467.01). The disclosed value is accompanied by a vesting period of three years.

As part of the Restricted Share Unit Plan in effect up until 2022, a total of 68 Restricted Share Units were vested during the reporting year to members of the Executive Board who were active as of the end of the reporting year. The RSUs were granted in 2021.

<sup>2</sup> These figures include all employer contributions to compulsory and supplementary social security plans made in the reporting year. They are therefore not associated with the disclosed amounts for variable compensation. Due to the social nature of public insurance plans, a significant portion of the reported contributions does not result in benefits for the individual members.

<sup>3</sup> The reported compensation corresponds to 7.1 full-time equivalents (FTE) as follows: Domenico Iacovelli - 0.60 FTE (entry on June 1, 2024); Alex Waser - 1.00 FTE (exit on December 31, 2024); Beat Neukom - 1.00 FTE; Alberto Martinez - 1.00 FTE; Eamon Doherty - 1.00 FTE; Johan Elster - 0.25 FTE (exit on March 31, 2024); Norbert Seo - 0.75 FTE (exit on September 30, 2024); John-Paul Surdo - 0.75 FTE (resignation from Executive Board on September 30, 2024); Dr. Song You - 0.75 FTE (resignation from Executive Board on September 30, 2024)

<sup>4</sup> The figure refers to the expected variable compensation for the reporting year according to estimates from January 2025 (payment in April 2025) and includes a one-time payment of CHF 82,800.

<sup>5</sup> At the time of recruitment, the Board of Directors guaranteed the current CEO the pro rata target bonus for 2024 as part of his employment contract.

<sup>6</sup> The Board of Directors granted an "off-cycle" allocation to the current CEO to account for the assumption of responsibility on July 1, 2024, as well as the subsequently introduced restructuring. In addition, the fair value as of July 1, 2024 (CHF 374.95) was used to determine the number of PSUs allocated, and the effects of restructuring on the target EPS CAGR were taken into account. Furthermore, the period for calculating the relative total shareholder returns (rTSR) began in June 2024 for him, rather than in December 2023.

<sup>7</sup> Alex Waser stepped down as the incumbent CEO on June 30, 2024. His short-term variable compensation will be calculated and paid out in April 2025 in the regular manner based on the financial results achieved in 2024 and 100% achievement of individual targets. As part of the

PSU Plan (long-term share-based compensation), 173 PSUs were allocated to him in the reporting year (1/3 of the regular entitlement); these PSUs will be vested in the regular manner in 2027. In the second half of 2024, he was not entitled to a lump-sum expense allowance.

## 5.2 Disclosure of performance in the reporting year

### 5.2.1 Performance relating to short-term variable compensation

The short-term variable compensation for members of the Executive Committee Board (excluding the current CEO) amount to 29% of the variable target compensation in the reporting year (prior year: 77%), while the individual percentage values fall between 21% and 50% (prior year: between 60% and 89%). Meanwhile, the short-term variable compensation for members of the Executive Committee Board (excluding the current CEO) amount to 15% of the fixed base salaries in the reporting year, while the individual percentage values are between 10% and 23% (prior year: between 27% and 49%).

At the Bystronic Group level, the payout factors for each performance parameter are as follows for the reporting year:

Performance parameter/ target	Threshold (=payout factor 50%)	Target value (=payout factor 100%)	Maximum target value (=payout factor 150%)
Bystronic Group			
Net sales (0%)	●		
Operating result (0%)	●		
Operating free cash flow (0%)	●		

● Payout factor for 2024 based on consolidated group results

The payout factors for the financial group targets all fall below the threshold values. The clear target value shortfall has the following primary causes:

- A 30% decrease in sales revenue compared to the prior year due to the following circumstances and errors:
  - A globally weak economic situation due to macroeconomic uncertainty and geopolitical risk.
  - Generally cautious investment activity among customers, mainly due to existing overcapacity.
  - Internal challenges in the implementation of comprehensive solutions and losses in customer satisfaction.
- Insufficient adjustment of costs and capacities to decreased sales.

With respect to the group-wide ESG targets, which have an 8% weighting, the payout factor comes to 113% (prior year: 125%). In particular, the 9% reduction in CO<sub>2</sub> from scope 3 emissions compared to the prior year was rewarded.

For the individual qualitative targets, which have a 12% weighting, the payout factors fall between 100% and 120% (prior year: 88% and 114%).

### 5.2.2 Performance relating to long-term share-based compensation

Due to the allocation of PSUs for the first time in the prior year, there are no KPIs relevant to long-term share-based compensation for the 2024 financial year. The EPS and rTSR factors achieved will be reported after the end of the vesting period (i.e. in the 2026 Annual Report for the first time).

### 5.3 Compensation of the Executive Board for the 2023 financial year

Compensation of the Executive Board in the 2023 financial year (audited)	Fixed compensation		Variable compensation		Benefits		Total compensation and benefits
	Base salary	CHF thousand	Short-term variable compensation	CHF thousand	Long-term share-based compensation <sup>1</sup>	CHF thousand	
	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand	
Executive Board (8.5 FTE) <sup>3</sup>	2,501.7	1,039.8 <sup>4</sup>	910.0	508.8	332.2		5,292.5
Highest individual amount: CEO, A. Waser	603.6	297.1	241.9	159.7	39.4		1,341.7

<sup>1</sup> This figure refers to the Performance Share Units (PSU) granted in the reporting year. The disclosed value corresponds to the fair value of the allocated PSUs (1PSU = CHF 668.10). The disclosed value is accompanied by a vesting period of three years.

As part of the Restricted Share Unit Plan in effect up until 2022, a total of 107 Restricted Share Units were vested during the 2023 financial year to members of the Executive Board who were active as of the end of 2023; of these, 47 RSUs were settled by means of a cash payment in lieu of a transfer of shares. The RSUs were granted in 2020.

<sup>2</sup> These figures include all employer contributions to compulsory and supplementary social security plans made in the reporting year. They are therefore not associated with the disclosed amounts for variable compensation. Due to the social nature of public insurance plans, a significant portion of the reported contributions does not result in benefits for the individual members.

<sup>3</sup> The Executive Board consisted of eight members in the first half of the 2023 financial year; in the second half, there were nine members, due to the admittance of John-Paul Surdo as President Region Americas. The predecessor of John-Paul Surdo, Robert St. Aubin, retired on December 31, 2023. The figures include the compensation for both individuals for the reporting year and thus correspond to 8.5 full-time equivalents (FTE).

The contractually agreed total target compensation for members of the Executive Board was adjusted as part of the reorganization of compensation with effect on January 1, 2023.

<sup>4</sup> The figure refers to the variable compensation for the 2023 financial year, according to estimates from January 2024, and includes two one-time payments. One of the two payments was for the new member of the Executive Board and is associated with the forfeiture of deferred compensation from the previous employer. The effective payment in April 2024 corresponded to the reported amount.

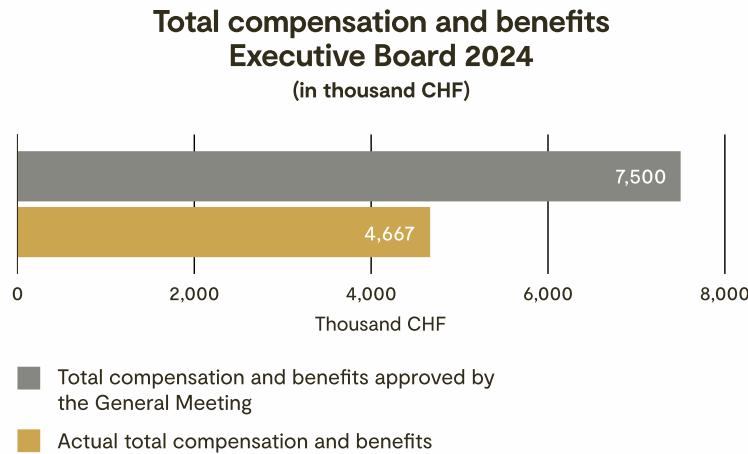
### 5.4 Development of compensation paid to the Executive Board

The total compensation for the Executive Board decreased by CHF 625,700 in the reporting year compared to the prior year, with the total CEO compensation increasing by CHF 476,200 compared to the prior year, and the compensation for the rest of the Executive Board decreasing by CHF 1,101,900.

The increase in CEO compensation is the result of Domenico Iacovelli joining the company on June 1, 2024, and Alex Waser formally resigning on December 31, 2024; thus, the compensation disclosed for the reporting year is for 1.6 FTE (prior year: 1.0 FTE). The reduction in compensation for the rest of the Executive Board compared to the prior year can be attributed to a decrease in the number of FTE by 2.0 and to the significantly lower payments under the Short Term Incentive (STI) Plan. The short-term variable compensation for the rest of the members of the Executive Board (excluding the former and current CEO) amounts to 34% of the variable target compensation in the reporting year (prior year: 74%). The contractual total target compensation for all current members of the Executive Board remained the same as that of the prior year.

### 5.5 Propriety of compensation paid to the Executive Board

For the 2024 financial year, the active and former members of the Executive Board received total compensation and benefits amounting to CHF 4.7 million (prior year: CHF 5.3 million). This complied with the maximum total compensation for the Executive Board of CHF 7.5 million approved at the Annual General Meeting in April 2023.



The compensation paid out is in accordance with Swiss law and the law of the country of employment, the provisions of the Articles of Association, and internal regulations.

On December 31, 2024, there were no open loan or credit contracts between the company and members of the Executive Board or related third parties.

## 5.6 Overview of LTI plans: disclosure of outstanding and settled entitlements

### 5.6.1 Restricted Share Plan (RSP)

The following table provides an overview of the previously allocated Performance Share Units (PSU) and shows the development of the value of allocated PSUs during the three-year vesting period (provided this has already ended).

Performance Share Unit Plan (PSU)	Grant of PSU						Vesting of PSU			
	Grant date	Granted PSUs (forfeitable)	Fair value per PSU on grant date in CHF	LTI grant value in thousand CHF	Vesting date	Performance factor	Vested PSUs on 31.12.2023	Share price on vesting date in CHF	LTI value on vesting date in thousand CHF	Performance of allocated PSUs
Members of the Executive Board, who were active as of December 31, 2024 (4 plan participants) <sup>1</sup> .	01.04.2023 02.04.2024	459 1,039	668.10 467.01 <sup>2</sup>	306.7 447.9	31.03.2026 01.04.2027	- -	- -	- -	- -	- -
<b>Total</b>		<b>1,498</b>		<b>754.6</b>						

<sup>1</sup> Excluding the former CEO

<sup>2</sup> The fair value of the PSUs granted to the current CEO as part of the off-cycle allocation is CHF 378.75.

### 5.6.2 Restricted Share Unit Plan (RSU)

The plan was in effect for members of the Executive Board, excluding the former CEO, up until the 2022 financial year. The number of RSUs allocated was contingent upon the achievement of an EPS target. For a more detailed description of the plan, please refer to the 2022 Compensation Report.

The following table provides an overview of the allocation of Restricted Share Units (RSU) since 2019 and shows the development of the value of allocated RSUs during the three-year vesting period (provided this has already ended).

Restricted Share Unit Plan (RSU)				Grant of RSUs					Vesting of RSUs			
	Grant date	Granted RSUs (forfeitable)	Share price on grant date in CHF	LTI grant value in thousand CHF	Vesting date	Vested RSUs on 31.12.2024	Share price on vesting date in CHF	LTI value on vesting date in thousand CHF	Performance of allocated RSUs			
Members of the Executive Board, who were active as of December 31, 2024 (3 plan participants)	01.04.2019	65	815.00	53.0	31.03.2022	65	955.0	62.1	+17%			
	01.04.2020	37	760.00	28.1	31.03.2023	37	660.0	24.4	-13%			
	01.04.2021	68	1,200.00	81.6	31.03.2024	68	471.0	32.0	-61%			
	01.04.2022	195	946.00	184.5	31.03.2025	-	-	-	-			
<b>Total</b>		<b>365</b>		<b>347.2</b>			<b>170</b>		<b>118.5</b>			

### 5.6.3 Restricted Share Plan (RSP)

The plan was in effect for the former CEO up until the 2022 financial year. The number of shares transferred was contingent upon the achievement of an EPS target. The shares were transferred in the respective following year. For a more detailed description of the plan, please refer to the 2022 Compensation Report.

The following table provides an overview of the allocation of restricted shares since 2018 and shows the development of the value of allocated shares during the four-year blocking period (provided this has already ended). The final restricted shares will be released on March 31, 2026.

Restricted Share Plan (RSP)				Allocation of restricted shares				Release of restricted shares			
	Transfer date	Transferred restricted shares (vested)	Share price on allocation date in CHF	LTI allocation value in thousand CHF	Release date	Share price on release date in CHF	LTI value on release date in thousand CHF	Performance of allocated restricted shares			
Former CEO	26.03.2018	118	1,146.00	135.2	25.03.2022	960.00	113.3	-16%			
	17.04.2019	365	914.00	333.6	16.04.2023	667.00	243.5	-27%			
	23.04.2020	111	861.00	95.6	22.04.2024	416.25	46.2	-52%			
	01.04.2021	0	-	-	-	-	-	-			
	01.04.2022	194	946.00	183.5	31.03.2026	-	-	-			
	01.04.2023	0	-	-	-	-	-	-			
<b>Total</b>		<b>788</b>		<b>747.9</b>				<b>403.0</b>			

## 6 Information on shareholdings

### 6.1 Equity holdings of the members of the Board of Directors

The shareholdings of the members of the Board of Directors are verified by the external statutory auditors within the scope of the audit of the statutory Annual Financial Statements of Bystronic AG. The following table lists the shareholdings of the individual members of the Board of Directors and of related parties.

(audited)	Since	31.12.2024			Class B registered shares <sup>2</sup>	31.12.2023			Class B registered shares <sup>2</sup>
		Class A registered shares <sup>1</sup>	freely tradable	blocked <sup>3</sup>		Class A registered shares <sup>1</sup>	freely tradable	blocked <sup>3</sup>	
Member of the Board of Directors		freely tradable	blocked <sup>3</sup>	total	freely tradable	freely tradable	blocked <sup>3</sup>	total	freely tradable
Dr. Heinz O. Baumgartner Chairman	2021	0	680	680	0	0	303	303	0
Dr. Roland Abt Member	2014	311	271	582	0	257	217	474	0
Dr. Matthias Auer Member	1996	22,735	271	23,006	1,008	22,681	217	22,898	1,008
Inge Delobelle Member	2022	0	184	184	0	0	76	76	0
Urs Riedener Member	2014	311	271	582	0	257	217	474	0
Felix Schmidheiny Member	2023	41,000	108	41,108	0	41,000	0	41,000	0
Robert F. Spoerry Member	1996	7,458	271	7,729	148	7,404	217	7,621	148
Eva Zauke Member	2023	0	108	108	0	0	0	0	0
<b>Total members of the Board of Directors</b>		<b>71,815</b>	<b>2,164</b>	<b>73,979</b>	<b>1,156</b>	<b>71,599</b>	<b>1,247</b>	<b>72,846</b>	<b>1,156</b>

<sup>1</sup> Class A registered shares have a par value of CHF 2.00, carry one voting right, and are traded on the SIX Swiss Exchange.

<sup>2</sup> Class B registered shares have a par value of CHF 0.40, carry one voting right, and are not traded on the SIX Swiss Exchange.

<sup>3</sup> These figures refer to the shares allocated as a base fee over the past four terms of office. They carry voting and dividend rights.

Dr. Matthias Auer, Felix Schmidheiny, and Robert F. Spoerry hold further registered shares under a shareholder agreement within the Auer, Schmidheiny, and Spoerry shareholder group.

The terms of ownership according to the share ownership guidelines are fully met by all members of the Board of Directors.

## 6.2 Equity holdings of the members of the Executive Board

The shareholdings of the members of the Executive Board are verified by the external statutory auditors within the scope of the audit of the statutory Annual Financial Statements of Bystronic AG. The following table indicates the shareholdings of the individual members of the Executive Board and of related parties.

(audited)	Since <sup>1</sup>	31.12.2024			Entitlement to class A registered shares / PSU & RSU <sup>3</sup>	31.12.2023			Entitlement to class A registered shares / RSU <sup>3</sup>
		Class A registered shares <sup>2</sup>	freely tradable	blocked		freely tradable	blocked	total	
Member of the Executive Board		freely tradable	blocked	total	forfeitable	freely tradable	blocked	total	forfeitable
Domenico Iacovelli (CEO)	2024	0	0	0	405	n.a.	n.a.	n.a.	n.a.
Beat Neukom (CFO)	2021	0	0	0	594	0	0	0	296
Eamon Doherty	2021	86	0	86	343	52	0	52	211
Alberto Martinez	2022	84	0	84	351	50	0	50	215
<b>Total</b>		<b>170</b>	<b>0</b>	<b>170</b>	<b>1,693</b>	<b>102</b>	<b>0</b>	<b>102</b>	<b>722</b>

<sup>1</sup> Year of joining the Group Executive Board of Bystronic.

<sup>2</sup> Class A registered shares have a nominal value of CHF 2.00 and carry one voting right; they are traded on the SIX Swiss Exchange.

<sup>3</sup> These figures pertain to the entitlements granted under the new Performance Share Unit (PSU) Plan and the entitlements granted under the replaced Restricted Share Unit (RSU) Plan during the reporting year. For a description of the conditions for the vesting of PSUs, please see Section 3.2.3.

Restricted Share Units (RSU) represent a conditional right to receive one registered share free of charge at the end of a three-year vesting period, provided that the employment relationship is ongoing. For a detailed description of the plan, please refer to the 2022 Compensation Report.

Both PSUs and RSUs do not confer any voting or dividend rights and cannot be traded.

## 7 Information on functions in other companies and associations

### 7.1 Functions of the members of the Board of Directors in other companies and associations

The following table lists all functions of the individual members of the Board of Directors in other companies and associations that pursue an economic purpose.

(audited)	Companies and associations	Country	Function	Function since
Dr. Heinz O. Baumgartner Chairman	Schweiter Technologies AG	Switzerland	Chairman of the Board of Directors	2023
	United Grinding Group AG	Switzerland	Member of the Board of Directors	2018
	Bluearbre AG	Switzerland	Member of the Board of Directors	2020
Dr. Roland Abt Member	Swisscom AG	Switzerland	Member of the Board of Directors, Chairman of the Audit Committee	2016
	Aargau Verkehr AG	Switzerland	Chairman of the Board of Directors	2017
	Limmat Bus AG <sup>1</sup>	Switzerland	Chairman of the Board of Directors	2017
	Eisenbergwerk Gonzen AG	Switzerland	Chairman of the Board of Directors	2008
Dr. Matthias Auer Member	Auer Meier Zopfi AG	Switzerland	Chairman of the Board of Directors	2017
	Kalkfabrik Netstal AG	Switzerland	Vice-Chairman of the Board of Directors	1981
	Elggis Kraft AG	Switzerland	Chairman of the Board of Directors	1991
	GTLM Immobilien AG	Switzerland	Vice-Chairman of the Board of Directors	1985
	Stucki AG, Bauunternehmung	Switzerland	Chairman of the Board of Directors	1984
	Fritz Landolt AG	Switzerland	Member of the Board of Directors	2015
	Schwert AG	Switzerland	Member of the Board of Directors	1994
Inge Delobelle Member	Grundfos Holding A/S	Denmark	Executive Vice President and Divisional CEO Industry	2024
	Sihlhorko-Eurowater AG <sup>2</sup>	Denmark	Chairman of the Board of Directors	2024
Urs Riedener Member	Emmi AG	Switzerland	Chairman of the Board of Directors	2023
	Sandoz Group AG	Switzerland	Member of the Board / Chairman of Human Capital & ESG Committee	2023
	Schwarz Unternehmens-treuhand KG	Germany	Member of the Advisory Board	2022
	Risurs GmbH	Switzerland		2024
Felix Schmidheiny Member	Plazza AG	Switzerland	Member of the Board of Directors	2019
	JAB Value Holding Pte. Ltd.	Singapore	Member of the Board of Directors	2018
	Jabea Pte. Ltd.	Singapore	Member of the Board of Directors	2020
	Les Verts Pommiers SA	Switzerland	Member of the Board of Directors	2019
	FP Swiss AG	Switzerland	Managing Director	2017
Robert F. Spoerry Member	Sonova Holding AG	Switzerland	Chairman of the Board of Directors	2011
Eva Zauke Member	Universität Heidelberg	Germany	Member of the University Council	2020

<sup>1</sup> Subsidiary of Aargau Verkehr AG

<sup>2</sup> Subsidiary of Grundfos Holding A/S

### 7.2 Functions of the members of the Executive Board in other companies and associations

The following table lists all functions of the members of the Executive Board in other companies and associations that pursue an economic purpose.

(audited)	Companies	Country	Function	Function since
Domenico Iacovelli, CEO	Rey Technology Holding AG	Switzerland	Chairman of the Board of Directors	2020

The remaining members of the Executive Board do not have any functions in other companies or associations.



## Report of the statutory auditor

to the General Meeting of Bystronic AG, Zurich

### Opinion

We have audited the compensation report of Bystronic AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables marked 'audited' on pages 48 to 57 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report complies with Swiss law and the Company's articles of incorporation.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the compensation report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the compensation report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

### Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

PricewaterhouseCoopers AG, Birchstrasse 160, 8050 Zürich  
Telefon: +41 58 792 44 00, [www.pwc.ch](http://www.pwc.ch)

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- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

A handwritten signature in black ink, appearing to read 'B. Kovács'.

Blaženka Kovács-Vujević  
Licensed audit expert  
Auditor in charge

A handwritten signature in black ink, appearing to read 'T. Handschin'.

Tobias Handschin  
Licensed audit expert

Zürich, 24 February 2025



# Report on non-financial matters<sup>1</sup>

## 1 Environmental, Social and Governance (ESG) at Bystronic

### 1.1 Introduction

Bystronic takes a holistic approach to sustainability. ESG criteria (Environmental, Social, Governance) are an integral part of our business strategy. In line with our principle, "Creating impact for a sustainable future with sheet metal and beyond," our goal is to make sheet metal a material of the future. We want to make a decisive contribution to strengthening sustainability – for our company, our customers, the environment and our ecosystem.

We strive to lead our industry towards net zero emissions. We are working hard to improve energy and resource efficiency. We are proud that our employees propose and implement initiatives that drive our sustainability forward. We also look externally for innovative solutions and work with start-ups to make sheet metal processing more sustainable. We are exploring new possibilities, such as the use of less energy-intensive materials, and we are developing solutions to extend the service life of our products while also reducing energy requirements.

The year 2024 was an important milestone on our sustainability journey. By integrating and operationalizing ESG into all areas of our organization, we were able to make tremendous progress.

To make the most impact as fast as possible, we established five sustainability targets for the year 2030 (baseline 2021):

- 42% reduction in Scope 1 and Scope 2 emissions
- 25% reduction in Scope 3 emissions
- 25% women in management positions
- Industry leader in occupational safety (Total Recordable Injuries TRI<sup>2</sup> ≤ 0.8)
- 20% reduction of waste

To ensure that we achieve these goals, we are managing our progress with our own ESG performance management system.

<sup>1)</sup> This section of the Annual Report is intended to provide an overview of the disclosures in connection with Articles 964a – 964c and 964j – 964l of the Swiss CO

<sup>2)</sup> Number of injuries per 100 full-time employees (100 full-time employees \* 50 weeks \* 8 hours \* 5 days/week = 200,000 worked hours).

## 1.2 Highlights

In 2024, we made significant progress in our sustainability efforts. We advanced our strategy to phase out fossil fuels and we implemented a wide array of measures to improve sustainability from a social perspective:

- **Further infrastructure development:** At our headquarters in Niederönz (Switzerland) and in our manufacturing plants in Tianjin (China), we installed additional solar panels. We also renovated the heating system in Niederönz and installed a geothermal heating system, eliminating the need for natural gas.
- **100% solar energy in the USA as of 2025:** We've prepared a Power Purchase Agreement (PPA) at our manufacturing plant in Hoffman Estates (USA), ensuring that 100% of its electricity needs will be met with solar energy from 2025 onwards.
- **Lighthouse program with focus on circular economy:** To encourage our supply chain to adapt a circular model, we have partnered with ZHAW School of Management and Law in Switzerland and various partners in the mechanical and electrical engineering (MEM) industry in a lighthouse program. This four-year project will be supported by Innosuisse, the Swiss agency for promotion of innovation.
- **Better risk management in the supply chain:** We added new suppliers in the EcoVadis platform. The companies represented there now account for 20% of the total purchase value in Bystronic's supply chain.
- **Publication of human rights policy:** Bystronic reinforced in 2024 its commitment to the highest human rights standards with the publication of a human rights policy. We also established a Standard Operating Procedure (SOP) for conducting regular Human Rights Due Diligence (HRDD) risk analyses.
- **Combating child labor and conflict minerals:** Our Global Supply Chain department carried out risk assessments relating to child labor and conflict minerals. We also increased the share of suppliers that signed our supplier code of conduct, which was introduced in 2023.
- **Certification of workplace safety:** As part of our ongoing effort to improve workplace safety, our laser manufacturing site in Niederönz received ISO 45001 certification.

Our social and ecological engagement in recent years is having an impact. We are on a positive path with our 2030 sustainability goals. We were pleased to have exceeded most of our 2024 environmental targets, which was due, in part to our lower production volume.

STATUS ON TARGETS	2024		2024	2023	2022	2021
	targets	Status				
Scope 1 & 2 -42% reduction in 2030 vs 2021 (tCO <sub>2</sub> e)	10,344	OK	10,127	10,510	11,413	12,028
Scope 3 -25% reduction in 2030 vs 2021 (tCO <sub>2</sub> e)	1,446,812	OK	1,015,518	1,117,132	1,391,743	1,578,340
25% Women in management positions in 2030 (%)	21%	NOK	19%	20%		
Industry leader in occupational safety (TRI ≤ 0.8)	0.80	NOK	1.59	1.94	1.40	1.59
20% reduction of waste in 2030 vs 2021 (tons)	3,413	OK	2,288	3,323	3,860	4,267

## 1.3 Sustainability strategy

Bystronic's sustainability strategy has been developed after conducting a comprehensive materiality and impact assessment together with our stakeholders. The resulting material topics form the three pillars of our sustainability strategy:

- Sustainable solutions
- Engaged employees
- Responsible business

### 1.3.1 Double materiality

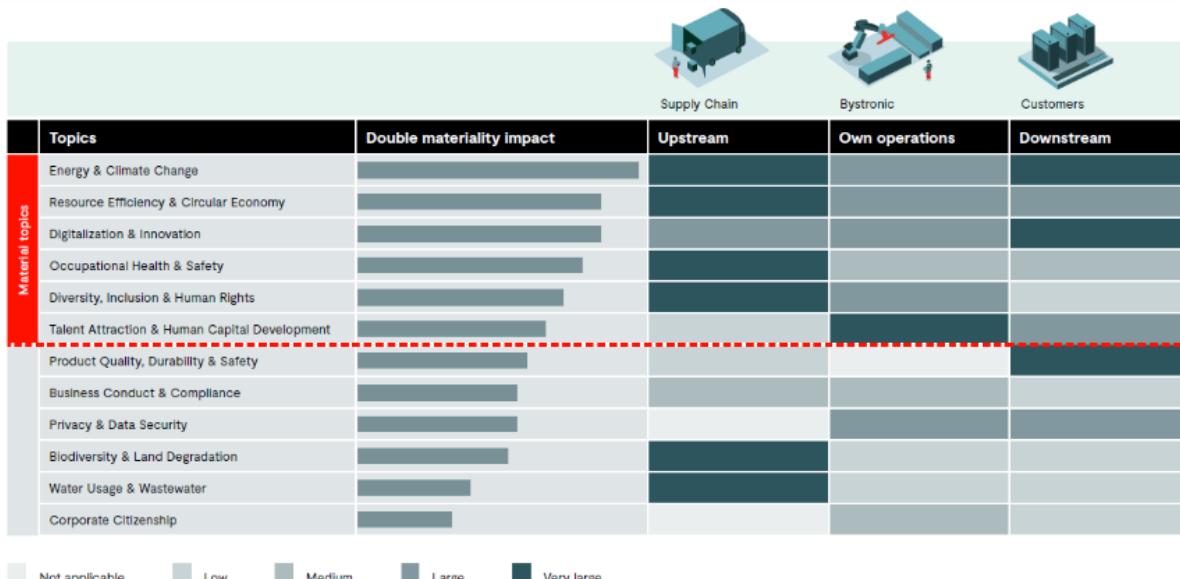
Bystronic's impact goes far beyond our own operations and is directly tied to the operations of our suppliers and customers. Around 70% of the company's value chain emissions are generated by our customers' use of our products. By taking the value chain into account in analyzing and evaluating key sustainability issues, Bystronic can identify a broader range of risks, impacts and opportunities.

To identify and prioritize the most critical sustainability issues, we use a double materiality assessment process, which is based on input from various stakeholders, such as industry associations, suppliers, customers, employees and investors. We engage with these stakeholder groups in a variety of ways. Internally, the Bystronic Sustainability Council connects with the Executive Board, the Board of Directors, and various corporate functions. Externally, our sales representatives interact regularly with our customers and participate in industry events.

Our Supply Chain Management team works closely with our suppliers to ensure sustainability in the supply chain. The Investor Relations function ensures we meet our shareholders' expectations, engaging with them directly through multiple events, such as our Capital Markets Days. We also actively participate in associations to connect with other companies and to drive change throughout the entire industry.

The following topics have been identified as material:

- Energy and climate change
- Resource efficiency and the circular economy
- Digitalization and innovation
- Occupational health and safety in the workplace
- Diversity, inclusion and human rights
- Talent attraction and human capital development



### 1.3.2 Sustainability governance

We recognize that effective governance is crucial to achieving our 2030 sustainability mid-term targets. Since the start of our sustainability journey in 2021, the company has been taking steps to continuously improve our approach to governance.

Bystronic has set specific goals and established corporate policies. Our sustainability disclosures are based on the reporting frameworks Global Reporting Initiative (GRI),<sup>3</sup> Carbon Disclosure Project (CDP)<sup>4</sup> and the Swiss climate ordinance.<sup>5</sup>

Sustainability cascades throughout all levels of the organization, from the CEO to the ESG Officer and the Sustainability Council, all the way to the corporate functions and plant managers that coordinate sustainability initiatives at the operational level. The roles are divided as follows:

- **The Board of Directors** is responsible for the supervision and control of the Group and its management and monitors compliance with regulations. This includes oversight of risks and opportunities, including climate-related topics. The Board determines the Group's strategic targets and the financial and human resources necessary to achieve those targets. Additionally, the Board reviews the strategy and goals in the context of sustainability. The Board is also responsible for the review and approval of reported information (incl. material topics) and is informed in writing and verbally of the company's strategies, plans and results. This includes regular updates on sustainability improvements. At least one Board member is closely involved in all sustainability matters via regular dialogue with the ESG Officer. At least two Board members are also members of Boards of other companies with long-standing experience in sustainability and climate target setting.
- **The CEO** is the driving force behind Bystronic's integrated sustainability strategy and is deeply committed to all climate change and social issues.
- **The ESG Officer** oversees sustainability issues, including climate-related activities, and coordinates the overall sustainability strategy and implementation of action plans with various corporate functions.
- **The Sustainability Council** implements Bystronic's integrated sustainability strategy.

<sup>3)</sup> Global Reporting Initiative: <https://www.globalreporting.org/>

<sup>4)</sup> Carbon Disclosure Project: <https://www.cdp.net/en>

<sup>5)</sup> Swiss Ordinance on Climate Disclosures: <https://www.fedlex.admin.ch/eli/oc/2022/747/de> (German)

## 2 Environmental matters

### 2.1 Sustainable solutions

Bystronic applies due diligence in environmental matters. Relevant impacts, risks and opportunities are regularly assessed, and appropriate policies implemented. As part of the double materiality assessment, Bystronic evaluates the potential positive and negative impacts its business activities have on the environment.

The most important risks to the environment are:

- Rising energy costs
- Stricter environmental regulations
- Availability of raw materials and spare parts

Bystronic also sees multiple environmental opportunities, such as:

- The development of new, energy-efficient technologies
- Rising demand for environmentally friendly products
- The growing popularity of circular economy principles

Bystronic has integrated climate-related risks into its risk management. Further information can be found in the Task Force on Climate Related Disclosures (TCFD) report.<sup>1</sup>

The company's environmental strategy and guidelines define goals and obligations as well as measures and responsibilities related to a range of environmental issues. Measures are taken to reduce negative impacts on the environment.

The company's environmental goals include:

- Reduce greenhouse gas emissions in all areas in alignment with the net zero roadmap
- Reduce energy consumption and become a climate-neutral company
- Increase the energy efficiency of our products to assist with the decarbonization of customers
- Develop sustainable products and services to reduce/lower greenhouse gas (GHG) emissions
- Improve resource efficiency and reduce waste by using circular processes

The company published an environmental policy in 2024 reinforcing its commitment to the highest environmental standards regarding climate action, energy efficiency, circular economy, product design, pollution, waste management, biodiversity, and deforestation in operations and in the value chain.

<sup>1)</sup> Climate Related Disclosures (TCFD) report is available [online](#).

## 2.2 Environmental initiatives

### 2.2.1 Renewable Energy

Bystronic is enhancing its sustainability efforts by installing solar panels at key production sites and converting its largest plants to renewable electricity where feasible. Additionally, the company is introducing ISO 14001 certification at new plants, electrifying the heating systems and increasing the share of electric vehicles in the fleet.

### 2.2.2 Cleantech solutions

Through its commitment to sustainability-led innovation, Bystronic focuses on material and energy efficiency in all of its customer quotes. We conduct life cycle analyses (LCAs) and use eco-design principles in the development of products. Our cleantech solutions portfolio encompasses a range of systems, services, and software that increase material and energy efficiency. These include products such as laser sources and chiller systems that save energy, and metal bending and cutting technologies that reduce waste.

### 2.2.3 Service and maintenance

Bystronic is adopting circular approaches to extend product lifespans and boost resource efficiency. Service packages like ByCare keep machines in optimal condition and extend their service life and resale value, while also reducing errors, downtime and waste. Key initiatives include the proactive maintenance and refurbishing of machines and components, thereby preserving the energy and materials from the initial production. Preventive service programs identify and address issues early, enhancing longevity and productivity. Modular designs allow easy upgrades and repairs, further extending machine lifespans. Digitalization, through tools like BySoft Suite, also enhances material efficiency by streamlining operations.

### 2.2.4 Research and Development

Bystronic's modular machine and solutions design approach paves the way for future upgrades and modernization, which are vital for maintaining the value and efficiency of the machinery over time. By enabling the seamless integration of new technologies and components, Bystronic ensures that its machines keep pace with evolving industry standards and customer needs without needing to be completely replaced. New systems like ByCut Star and ByCut Smart exemplify this modular design approach. As part of the OnePlatform project, modularity in these machines ensures common parts are used, simplifying repair and spare part logistics, enhancing efficiency, and extending product lifespan. Moreover, the modular nature of Bystronic's machines allows for tailored configurations to meet specific customer requirements and ensures they can be optimized for different production environments. For example, our ByTrans Modular system provides scalable material handling solutions that grow with the customers' needs.

### 2.2.5 Innovative functions for sustainable sheet metal processing

Bystronic's commitment to improving operational efficiency and sustainability is visible in the resource and energy efficiency features integrated into our fiber laser cutting and bending machines, which are designed to optimize material use, reduce waste, and increase productivity.

- **Nesting Software:** Our software that optimizes fiber laser cutting and reduces metal consumption up to 14% for the same production volume. The software optimizes the cutting plan by narrowing web widths, increasing the number of parts on the cutting plan, and adjusting the cutting path to minimize waste. Additionally, it adjusts laser power and speed based on the material and sheet thickness. By analyzing the size and shape of residual sheets, the software identifies the most efficient way to use them in subsequent cutting processes.
- **Intelligent Cutting Process (ICP):** A coaxial camera monitors the cutting process through the nozzle of the fiber laser and ensures reliability through proactive and reactive measures. This reduces downtime and material waste in case of nozzle loss. By preventing unrecognized cut interruptions, the ICP feature helps minimize waste.
- **Parameter Wizard with Artificial Intelligence (AI):** This feature combines intelligent human-machine interaction and AI-based optimization to support the operator when a new type of metal is introduced. Leveraging AI helps to quickly and precisely define the correct parameters to optimize cutting quality, eliminating the need for time-consuming trial and error methods.
- **Nozzle Control Tool (NCT) & KerfScan:** NCT enables automatic nozzle centering in seconds and monitors nozzle condition and type. KerfScan examines the oxygen cut to detect residual slag inside the cutting gap/kerf, which allows parts to be recut as needed. This combination ensures a consistent, high-quality cutting process that reduces waste and rejected parts.
- **Laser Angle Measurement System (LAMS):** This feature ensures precision and productivity in the bending process by eliminating the need for time-intensive measuring and part correcting. LAMS optimizes metal waste reduction by achieving precise angles and minimizing misshaping, ensuring that the first bend is flawless.
- **Nitrogen generators:** Nitrogen generators, like NitroCube and Airco System, enable in-house production of high-purity nitrogen for fiber laser cutting systems, reducing energy use and carbon emissions. In Bystronic's life cycle assessment, nitrogen use was the largest contributor to indirect CO<sub>2</sub> emissions. Traditional methods require substantial power and transportation, increasing the carbon footprint. In-house generation eliminates the need for transport and allows efficient, on-demand nitrogen production, offering environmental and financial benefits.
- **Laser sources and chiller systems:** Laser sources and chiller systems are the core of our laser cutting machines. They are also the main drivers of energy consumption and carbon emissions. As part of our commitment to deliver cleantech solutions, we have identified significant potential in optimizing the energy performance of our laser sources and chiller systems, which we aim to explore with our R&D.

## 2.3 Decarbonization

Energy and climate change are key topics with global impact along the value chain. This has led us to step up our decarbonization efforts. The most important climate risks are (as described in our TCFD report):

- Risk of increasing operational costs due to carbon pricing (€50 to €150 per ton), new taxes (the EU Carbon Border Adjustment Mechanism: CBAM), new regulations (EU eco-design rules), and new efficiency targets (energy label)
- Risk of an increase in energy costs, which impacts machine use and production
- Risk of extreme weather events that damage infrastructure, equipment or material.

In 2023, we joined the Science Based Targets initiative (SBTi), to further reduce the carbon emissions of our business, our suppliers, and our customers. Our goal is to achieve net-zero operations and to achieve a net zero value chain by 2050.

SCIENCE-BASED TARGET REDUCTION PLAN	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Scope 1 emissions (tCO <sub>2</sub> e)	6,678	6,367	6,055	5,743	5,432	5,120	4,808	4,497	4,185	3,873
Scope 2 emissions (tCO <sub>2</sub> e)	5,350	5,100	4,851	4,601	4,351	4,102	3,852	3,602	3,353	3,103
Scope 1+2 emissions (tCO <sub>2</sub> e)	12,028	11,467	10,906	10,344	9,783	9,222	8,660	8,099	7,538	6,976
SBT reduction target %				-4.7%	-9.3%	-14%	-19%	-23%	-28%	-33%
SBT reduction target (tCO <sub>2</sub> e)				-561	-1,123	-1,684	-2,245	-2,807	-3,368	-3,929
<b>CURRENT REDUCTION PATHWAY</b>										
Scope 1 emissions (tCO <sub>2</sub> e)	6,678	7,110	6,126	5,559						
Scope 2 emissions (tCO <sub>2</sub> e)	5,350	4,303	4,384	4,567						
Scope 1+2 emissions (tCO <sub>2</sub> e)	12,028	11,413	10,510	10,127						
Current reduction pathway %				-5.1%	-13%	-16%				
Current reduction pathway (tCO <sub>2</sub> e)				-615	-1,518	-1,902				
ENERGY CONSUMPTION	YoY	2024	2023	2022	2021					
<b>Total energy consumption (MWh)</b>	-3%	<b>38,509</b>	<b>39,576</b>	<b>41,664</b>	<b>43,861</b>					
Fuel for fleet (diesel, petrol, LPG)		15,139	14,268	15,042	14,949					
Stationary energy for buildings (natural gas, fuel oil)		6,398	8,183	9,297	10,014					
District heating		2,490	2,905	2,246	2,226					
Non renewable electricity		8,168	7,708	7,680	14,759					
Renewable electricity		6,314	6,513	7,399	1,912					
<b>Energy intensity per net sales (MWh/million CHF)</b>		<b>59.4</b>	<b>42.6</b>	<b>41.0</b>	<b>46.7</b>					
Share of renewable electricity consumption		44%	46%	49%	11%					
<b>Share of renewable energy consumption</b>		<b>16%</b>	<b>16%</b>	<b>18%</b>	<b>4%</b>					

At our headquarters in Niederönz, we replaced natural gas heating with geothermal heating, reducing natural gas usage. A milder winter in 2024 also reduced energy consumption for buildings and district heating. Additional photovoltaic panels boosted the production of renewable electricity. Increased machine deliveries from Chinese plants, however, led to higher non-renewable electricity consumption. The share of usage of renewable electricity will slightly increase in 2025 with the upcoming activation of the Power Purchase Agreement (PPA) for the US plant.

Scope 1 and 2 greenhouse gas emissions exceeded the 2024 science-based targets reduction (Target: 10,344 tCO<sub>2</sub>e). This was mainly driven by reduced manufacturing activities.

GREENHOUSE GAS EMISSIONS (GHG) SCOPE 1&2	YoY	2024	2023	2022	2021
<b>SCOPE 1 &amp; 2 (market-based) (tCO<sub>2</sub>e)</b>	<b>-4%</b>	<b>10,127</b>	<b>10,510</b>	<b>11,413</b>	<b>12,028</b>
Scope 1: direct emissions		5,559	6,126	7,110	6,678
Scope 2: energy indirect emissions (market-based)		4,567	4,384	4,303	5,350
Scope 2: energy indirect emissions (location-based)		5,174	5,164	5,254	6,340
Fuel for fleet (diesel, petrol, LPG)		4,035	3,871	4,236	4,197
Stationary energy for buildings (natural gas, fuel oil)		1,428	1,836	2,119	2,265
Refrigerants		97	419	755	216
<b>Scope 1: direct emissions</b>	<b>-9%</b>	<b>5,559</b>	<b>6,126</b>	<b>7,110</b>	<b>6,678</b>
District heating		761	840	840	841
Non renewable electricity		3,807	3,543	3,464	4,509
Renewable electricity		-	-	-	-
<b>Scope 2: energy indirect emissions (market-based)</b>	<b>4%</b>	<b>4,567</b>	<b>4,384</b>	<b>4,303</b>	<b>5,350</b>
Scope 1 & 2 Intensity per net sales (tCO <sub>2</sub> e/million CHF)		15.6	11.3	11.2	12.8
GHG emissions per energy consumption (tCO <sub>2</sub> e/MWh)		26%	27%	27%	27%

Scope 3 emissions account for over 99% of Bystronic's carbon footprint. With 74% from product use, Category 11 is the highest emission source. These emissions are based on electricity consumption throughout the entire product life cycle, according to GHG Protocol guidelines. 22% of Scope 3 emissions come from purchasing goods and services (Category 1). The year-over-year reduction of Scope 3 emissions was mainly due to reduced manufacturing activity.

GREENHOUSE GAS EMISSIONS SCOPE 3	YoY	2024	2023	2022	2021
<b>Scope 3: Total emissions (tCO<sub>2</sub>e)</b>	<b>-9%</b>	<b>1,015,518</b>	<b>1,117,132</b>	<b>1,391,743</b>	<b>1,578,340</b>
Cat 1 - Purchased goods & services		224,629	302,927	338,080	302,812
Cat 2 - Capital goods		444	557		
Cat 3 - Fuel- and energy-related activities not included in Scope 1 or Scope 2		2,190	1,970		
Cat 4 - Upstream transportation and distribution		2,603	2,884		
Cat 5 - Waste generated in operations		130	157		
Cat 6 - Business travel		6,078	4,078		
Cat 7 - Employee commuting		8,617	10,049		
<b>Scope 3: Upstream emissions</b>		<b>244,691</b>	<b>322,623</b>		
Cat 9 - Downstream Transportation and Distribution		12,926	14,593		
Cat 11 - Use of sold products - customer country grid emission factor method		754,581	776,783	1,010,486	1,216,225
Cat 12 - End-of-life treatment of sold product		3,320	3,133		
<b>Scope 3: Downstream emissions</b>		<b>770,827</b>	<b>794,509</b>		
<b>Scope 1, 2 &amp; 3: Total emissions (tCO<sub>2</sub>e)</b>		<b>1,025,644</b>	<b>1,127,665</b>	<b>1,402,440</b>	<b>1,590,352</b>
Share of Scope 3 Cat 1 & Cat 11 in Scope 1, 2, 3 total emissions		96%	96%		
<b>Scope 1 &amp; 2 &amp; 3: Intensity per net sales (tCO<sub>2</sub>e/million CHF)</b>		<b>1.582</b>	<b>1.212</b>	<b>1.381</b>	<b>1.693</b>

Further information on the system boundaries, assumptions and calculation methods are published in the "Data Calculation Methodology 2024" at the following [link](#).

## 2.4 Resource efficiency and circularity

Bystronic's approach to circularity includes efforts to increase recycling, reuse and extended lifespan. With our positioning as a full solutions provider, we can make a significant contribution here. The most important risks related to circularity are (as described in our TCFD report):

- Risk that the logistic costs will impact material costs. Circular must be embedded in the business model and the products to limit the increasing cost of purchases
- Risk of being late compared to the competition, commitment to climate targets and the positioning of Bystronic as a sustainability pioneer

We set a 2030 target to reduce waste by 20%. The reduced waste generation in 2024 compared to prior year is, however, partially due to reduced production activity.

WASTE IN MANUFACTURING PLANTS	YoY	2024	2023	2022	2021
<b>Waste, Total amount in manufacturing plants (tons)</b>	<b>-31%</b>	<b>2,288</b>	<b>3,323</b>	<b>3,860</b>	<b>4,267</b>
Non hazardous waste		2,241	3,266	3,785	4,266
Metals		1,593	2,400	2,989	3,253
Wood		176	375	465	575
Paper & Cardboard		102	117	137	218
Plastics		4	6	6	7
Domestic <sup>1</sup>		346	354	176	156
Special non hazardous waste		18	13	11	4
Hazardous waste & toxic material		47	57	75	54
<b>Waste by disposal methods (%)</b>					
Landfill		1%	1%	1%	
Incineration		4%	11%	12%	
Share of metal waste (mostly recycled)		70%	72%	77%	76%
Other disposal methods		26%	17%	10%	
Waste intensity per net sales (tons/million CHF)		2.9	3.6	3.8	4.5

<sup>1</sup> All non-metal waste at our US plant is reported under the domestic waste category from 2023.

In 2024, water consumption data was collected from 9 out of 10 manufacturing sites and 8 out of 29 sales entities. We are improving our data collection year-over-year and will soon include all company sites.

Although water use in our production facilities plays only a minor role, the topic of water use in the machinery industry is important. Bystronic needs to investigate to what extent its supply chain may be impacted by water scarcity, floods, storms, and other weather and coastal disaster risks. With the help of the Aqueduct Water Risk Atlas of the World Resources Institute, Bystronic has assessed the water-related risks at its manufacturing plants. Special attention needs to be paid to the Tianjin production plant and its supply chain to avoid future disruption related to potential regional water quotas in Chinese industry.

WATER MANAGEMENT	YoY	2024	2023	2022	2021
<b>Water consumption in manufacturing plants (m<sup>3</sup> )</b>	<b>-0%</b>	<b>23,562</b>	<b>23,664</b>	<b>12,274</b>	
Water withdrawal <sup>1</sup>		24,259	23,664	12,274	
<b>Water discharged</b>		<b>697</b>			
Water intensity per net sales (m <sup>3</sup> )/million CHF		36.3	25.4	12.1	

<sup>1</sup> Water withdrawal data was available for 7 out of 10 manufacturing sites and 8 out of 29 sales entities in 2024.

Details on data performance indicators and calculation methods can be found in the “Data Calculation Methodology 2024” [online](#).

## 3 Social issues

### 3.1 Engaged employees

Bystronic applies due diligence in social issues. Relevant impacts, risks and opportunities are regularly assessed, and measures implemented.

The main risks related to social issues include: (Human rights risks are addressed in the chapter on "Responsible Business")

- **Safety:** Employee and customer injuries while operating machinery such as laser cutters and press brakes
- **Employees:** Shortage of skilled workers, the new work culture following the COVID pandemic in which more people want to work from home
- **Software & IT security/data protection:** Risk of cyberattacks against Bystronic and its customers, protection of customer data and compliance with data protection regulations.

The company's social strategy and guidelines define goals and obligations as well as measures and responsibilities with regard to a range of social issues. The HR Committee is responsible for initiatives that promote diversity and inclusion across all management levels within the Group and continuously reviews their effectiveness. Measures are taken to minimize negative impacts on social and employee matters.

The company's social ambitions include:

- Providing customers with safe technologies and high-quality products
- Continuously improving workplace safety and mental health wellness for all employees
- Attracting, developing and retaining the best employees
- Continuing to build and develop a diverse and inclusive workforce.

The company published an information security policy in 2022 reinforcing its commitment to the highest data protection standards – with regard to the protection of personal data, customer trust, the security culture, transparent and practiced responsibility, protection and shared use, appropriateness and efficiency, integrated security and international security standards.

### 3.2 Employee initiatives

In 2024, Bystronic underwent a significant restructuring to get closer to the customer and reduce fixed costs. This involved transitioning from a regional to a divisional organizational structure. Despite these changes, Bystronic continued different programs aimed at supporting engaged employee initiatives.

- **Employer branding:** Bystronic continues to work on its employer brand identity. It defines how we communicate as an employer both internally and externally. The launch included a comprehensive overhaul of both the content and look of our careers website. The principles of our employer brand reflect our commitment to diversity.
- **Integration in the workplace:** Bystronic is implementing measures that promote equality and integration in the workplace, such as offering flexible work arrangement and promoting a collaborative culture.
- **Adaptation of recruitment and promotion policies:** In job postings, Bystronic tries to be equally appealing to both women and men, and in direct search efforts, identifying female candidates is a priority. External recruiters are instructed to ensure diversity of the candidate pool, and, in the selection and promotion process, women are given priority over men when other things are equal. As a result, we have increased the share of new women hires consecutively in recent years.

	YoY	2024	2023	2022	2021
<b>New employee hires</b>	<b>-47%</b>	<b>253</b>	<b>474</b>	<b>739</b>	<b>858</b>
Male		77%	78%	81%	84%
Female	3%	23%	22%	19%	16%
Americas		15%	18%	20%	14%
EMEA		67%	65%	56%	42%
APAC		5%	7%	6%	5%
China		12%	10%	18%	39%

- **Workplace safety:** Bystronic is committed to a safe and healthy workplace for all employees. Measures promoting the health and safety of employees include a comprehensive Occupational Health and Safety

(OHS) program promoting the health and safety of employees with a focus ergonomics and safety in the workplace, the provision of safety equipment, and training in how to use the machinery.

Occupational health and safety is a crucial component of Bystronic's overall management system. Our safety regulations apply to all individuals on our premises, including employees, customers, suppliers and visitors. These regulations are outlined in workplace guidelines that are accessible to all employees. Employees receive training on workplace-specific hazards when necessary.

Bystronic's safety training courses are detailed in the training manual, which is reviewed annually by the occupational health protection and laser safety officers, as well as the safety teams. Risk analyses are carried out by external specialists at least every five years, and resulting measures are coordinated and monitored through corrective and preventive action. The HR department reports and evaluates all occupational and non-occupational incidents.

- Employee health and well-being:** The health and well-being of our employees is a priority. The importance of this topic was reflected in our 2023 global employee engagement survey. We are increasing our efforts to support employee well-being. These include remote work and flexible hours, parental leave and temporary leave (based on country regulations).

In 2024, the number of injuries decreased. The occupational health and safety system of our laser production sites at our headquarters in Niederönz (Switzerland) were ISO 45001 certified.

WORKPLACE SAFETY	YoY	2024	2023	2022	2021
TRI Rate of recordable injuries (# Injuries/200,000 hours) <sup>1</sup>	-18%	1.59	1.94	1.40	1.59
Number of recordable injuries in manufacturing plants <sup>1</sup>		25	35	27	31
Number of high-consequence recordable injuries			-	1	
Fatalities		-	1	-	-
Number of worked hours in manufacturing plants		3,136,998	3,603,464	3,863,592	3,911,171

<sup>1</sup> See definition in Glossary document available here : <https://sustainability.bystronic.com/en/downloads>.

PSYCHOLOGICAL SAFETY	Notes	YoY	2024	2023	2022	2021
Psychological safety survey result (Scale 1 to 100)			No survey	81	No survey	80

- Talent management:** We offer our employees competitive remuneration and benefits packages; training and development programs, on-the-job, classroom and online training; international experiences for qualified employees; and leadership courses for young and experienced talents. Our performance management system is designed to help employees realize their full potential. We offer an open communication and a feedback culture that encourages employees to share their ideas and concerns and to provide feedback to their supervisors. Internal communication channels, such as town hall meetings and our intranet help employees stay informed about news and developments within the company.

The most important ongoing programs and models:

- Talent development and retention:** Our learning and development model, known as the 70-20-10, helps employees access a combination of learning sources. This model calls for 70% of learning to come from challenging assignments, 20% from relationships, and 10% from formal training. Our employees have access to a variety of educational initiatives – from specialized courses and PhD programs to our company-wide learning management system called MyLearning. We also provide comprehensive onboarding for new employees to ensure an optimal start.
- Career advancement and leadership courses:** We place great value on supporting our employees' personal development. Bystronic has been offering vocational training for over 20 years. More than 300 young people have benefited from such training. Our global succession program aims to identify internal candidates for future roles and provides them with personalized training. ByAcademy, our internal learning and development platform, focuses on technical and soft skill development for our Global Service Business Unit employees. Our leadership development programs cater to different employee levels. The Leadership Development Program 1 (LDP 1) prepares junior employees for future managerial roles. Our Leadership Development Program 2 (LDP 2) is tailored for senior leaders, and aims to foster a common understanding of leadership, as well as promote creativity and entrepreneurship. LDP 2 is the key to effective succession planning within our organization.

Training and education	2024
Number of training hours <sup>1</sup>	74,104
Average training hours by employee	23
Male	26
Female	10

<sup>1</sup> Number from ByAcademy Service including all employee Instructor-Led and Online trainings.

- **Employee engagement:** To continuously enhance our processes and address employee feedback, Bystronic conducts a global employee engagement survey every two years. Our goal is to gather insights that are relevant to leadership development and that would enhance employee engagement at all our business locations.
- **Bystronic Leadership Conference:** We implemented new panel discussions on Group priorities at the Bystronic Leadership Conference. Employees from many different levels and a variety of functions actively contributed.
- **One Bystronic Ambassador Network:** We have built a global network of over 50 “One Bystronic” ambassadors from 22 subsidiaries. These ambassadors serve as a link between employees and management, enhancing communication, culture and collaboration.

### 3.3 Customer initiatives

#### Enhanced CRM system

By consistently monitoring our Net Promoter Score (NPS) and the feedback of critical customers, Bystronic was able to uncover several problems in 2024, including technical errors, technician availability, long resolution times, as well as improvement potential with regard to process reliability and communication. Bystronic closely monitors all safety concerns reported by our customers. In 2024, only two injuries were reported by our customers.

CUSTOMER CARE & SAFETY	2024	2023	2022	2021
Number of customer requests in CRM <sup>1</sup> (maintenance, issues, installation)	100,864	105,000	100,000	98,000
Annual fines and penalties	–	–	–	–
Number of customer injuries reported	2	1	1	3

<sup>1</sup> Customer Relationship Management system.

#### Service programs

In 2024, Bystronic continued its modular service programs, which include regular maintenance, service level agreements and extended warranties. These programs help minimize operational disruptions for our customers.

#### Customer training

Bystronic offers comprehensive machine and software training to improve our customers' productivity. This leads to increased uptime, improved overall effectiveness of the equipment, and a higher level of safety for the employees.

## 4 Combating corruption and safeguarding human rights

### 4.1 Responsible corporate governance

Our stakeholders expect us to maintain high ethical standards and integrity across our business activities. Responsible business, the governance pillar of our sustainability strategy framework, represents our approach to meeting these expectations and underpins our efforts to achieve our 2030 sustainability goals.

The main risks related to corruption and human rights issues include:

- Corruption: failing to prevent bribery and kickbacks, accepting inappropriate gifts or hospitality, and keeping inaccurate financial records
- Human rights issues related to electronic equipment manufacturing, poor working conditions in the supply chain and child labor in raw material extraction.

The company's anti-corruption and human rights strategies and guidelines define goals and obligations as well as measures and responsibilities related to a range of such issues. The Executive Board oversees the initiatives to prevent corruption and to safeguard human rights and continuously reviews their effectiveness. Measures are taken to reduce any negative impacts.

The company's ambitions on these matters include:

- Supporting human rights and ethical procurement practices
- Being transparent on issue reporting
- Ensuring ethical conduct across all operations.

## 4.2 The fight against corruption

### Policy

Bystronic fights corruption in all areas of its business activities. A number of policies and practices are in place to prevent and detect corruption. The company's anti-corruption policy is set out in the Code of Conduct and in a dedicated Combating Corruption Policy. The policy prohibits all forms of bribery and other corrupt practices.

### Due diligence

Bystronic carefully examines suppliers and business partners to ensure that they are not involved in corrupt practices. The company applies various practices to prevent corruption, including training of all employees on anti-corruption policies and procedures.

### Training

Training covers topics such as recognizing and reporting corruption, whistleblowing procedures, ethical competition, and the consequences of corruption.

### Monitoring

Bystronic also monitors its business activities and relationships with suppliers and business partners for signs of corruption. This includes reviewing transactions, conducting internal investigations, and receiving and investigating whistleblower complaints. Bystronic regularly reviews its policies and practices and makes adjustments where necessary.

### Reporting

Bystronic investigates any suspicion of corruption. In 2024, four cases of potential non-compliance were reported through Bystronic's Business Ethics Hotline. None of them related to corruption.

## 4.3 Human rights and a sustainable supply chain

### Policy

The company published a human rights policy in 2024 reinforcing our commitment to the highest human rights standards – with regard to non-discrimination and equality; freedom from forced labor and human trafficking; child labor prohibition; fair wages and working conditions; health, safety and well-being; respect for freedom of association and collective bargaining; women's rights; supplier due diligence; access to a grievance mechanism and non-retaliation; continuous improvement and training.

### Due diligence

Bystronic carefully examines suppliers' documentation, conducts audits and verifies supplier certifications. Relevant impacts, risks and opportunities are assessed on an ongoing basis, and measures are implemented. Bystronic recognized the need for a standardized risk management process in its supply chain. Consequently, in 2024 a Standard Operating Procedure (SOP) was established for conducting regular Human Rights Due Diligence (HRDD) risk analyses. This SOP, developed through workshops and industry experience, aims to provide guidance on steps, responsibilities, and internal controls for analyzing risks and addressing potential issues within the supplier base. Training workshops focused on HRDD legislation and implementation have been conducted. Furthermore, in 2023, an EiQ<sup>1</sup> analysis was conducted covering 2,000+ suppliers for risks associated with conflict minerals, child labor and forced labor. The risk management process will continue to be implemented in 2025 to improve effective risk mitigation.

### Supplier Code of Conduct

In 2023/2024, Bystronic implemented a comprehensive Supplier Code of Conduct requiring suppliers to adhere to strict standards regarding labor rights, environmental protection, and the fight against corruption. These standards are regularly monitored and enforced through audits and assessments.

The Supplier Code of Conduct outlines the expectations and requirements for our suppliers and their partners, as well as third parties, conducting business with Bystronic as a minimum standard. Suppliers are expected to comply with international human rights standards, labor regulations, environmental responsibilities, and fair business practices. Bystronic welcomes it if suppliers and business partners go beyond the minimum standards.

#### EcoVadis platform

Bystronic increased the number of suppliers represented in the EcoVadis platform in 2024. This tool provides a comprehensive assessment of suppliers' environmental, social and ethical practices.

#### Reporting

Reporting with regard to the Ordinance on Due Diligence and Transparency with respect to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDoTr): Based on the detailed analysis conducted and the ordinance's criteria, in 2024, Bystronic concluded that the company is exempt from due diligence and reporting obligations with regard to both conflict minerals and child labor. Bystronic has done a risk assessment in human rights: The last audit that looked for child labor or risk materials in the supply chain did not find any issues. As Bystronic sources components from many countries around the world, the company is working to develop a robust risk management system and to improve remediation and prevention processes.

<sup>1)</sup> The LRQA EiQ platform enables a tailored, risk-based program aligned with the supply chains of each individual business and a range of audit results.

RESPONSIBLE BUSINESS	2024	2023	2022	2021
Purchase share of suppliers in EcoVadis platform	20%	10%	5%	
EcoVadis OEM score (scale 1 to 100)	46	46	35	
Number of incidents reported to Bystronic's Business ethics hotline	4	4	-	
Number of corruption incidents	-	-	-	
Number of human right identified issues in supply chain	-	-		

## About this report

This Sustainability Report has been prepared using GRI Standards and covers the period from January 1 to December 31, 2024. Since 2021, Bystronic has published a Sustainability Report on an annual basis. As of 2025, sustainability reporting will be integrated into the annual report as a non-financial section, and on the sustainability section of the Bystronic website. The calculation of Scope 1, 2, and 3 emissions for the entire company has been assured by Swiss Climate AG.

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Zurich, February 27, 2025

**Dr. Heinz O. Baumgartner**  
Chairman of the Board of  
Directors

**Dr. Roland Abt**  
Chairman of the Audit  
Committee

# Annex

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GRI	Disclosure	Location
<b>General disclosures</b>		
GRI 2: General disclosures 2021	The organization and its reporting practices	
2-1 Organizational details		in the Corporate Governance Report
2-2 Entities included in the organization's sustainability reporting		Section 4.3 "Group companies" of the Financial Report
2-3 Reporting period, frequency and contact point		"About this report"
2-4 Restatements of information		"About this report"
2-5 External assurance		"Assurance Statement 2024": <a href="https://sustainability.bystronic.com/en/downloads">https://sustainability.bystronic.com/en/downloads</a>
<b>Activities and workers</b>		
GRI 2: General disclosures 2021	2-6 Activities, value chain, and other business relationships	Section 1.1 "Introduction"
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	2-8 Workers who are not employees <sup>1</sup>	
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	2-10 Nomination and selection of the highest governance body	Section 3.1 "Members of the Board of Directors" of the Corporate Governance Report
	2-11 Chair of the highest governance body	Section 3.1 "Members of the Board of Directors" of the Corporate Governance Report
	2-12 Role of the highest governance body in overseeing the management of impacts	Section 1.3.2 "Sustainability governance"
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	2-15 Conflicts of interest	"Code of Conduct": <a href="https://ir.bystronic.com/de/corporate-governance/business-ethics">https://ir.bystronic.com/de/corporate-governance/business-ethics</a>
	2-16 Communication of Critical Concerns <sup>2</sup>	
	2-17 Collective knowledge of the highest governance body	Section 1.3.2 "Sustainability governance"
	2-18 Evaluation of the performance of the highest governance body	in the Compensation Report
	2-19 Remuneration policies	in the Compensation Report
	2-20 Process to determine remuneration	in the Compensation Report
	2-21 Annual total compensation ratio	"ESG Data 2024 Report": <a href="https://sustainability.bystronic.com/en/downloads">https://sustainability.bystronic.com/en/downloads</a>

<sup>1</sup> Bystronic does not have workers who are not employees.

<sup>2</sup> Information unavailable/incomplete: We are working on a closer alignment with GRI in the next reporting years.

GRI	Disclosure	Location
<b>Strategy, policies and practices</b>		
GRI 2: General disclosures 2021	2-22 Statement on sustainable development strategy	Section 1.3 "Sustainability strategy"
	2-23 Policy commitments	Section 1.1 "Introduction", Section 4.1 "Responsible corporate governance"
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	2-25 Processes to remediate negative impacts	Section 4.1 "Responsible corporate governance"
	2-26 Mechanisms for seeking advice and raising concerns	Section 4.1 "Responsible corporate governance"
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	2-28 Membership associations	Section 1.3.1 "Double materiality"
<b>Stakeholder engagement</b>		
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<b>Material topics</b>		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Section 1.3.1 "Double materiality"
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<b>Energy &amp; Climate Change</b>		
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GRI 302: Energy 2016	302-1 Energy consumption within the organization	Section 2.3 "Decarbonization"
	302-1 Renewable energy consumption within the organization	Section 2.3 "Decarbonization"
	302-3 Energy intensity	Section 2.3 "Decarbonization"
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Section 2.3 "Decarbonization"
	305-2 Energy indirect (Scope 2) GHG emissions	Section 2.3 "Decarbonization"
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GRI 3: Material Topics 2021	3-3 Management of material topics	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
GRI 301: Materials 2016	301-2 Recycled input materials used	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
	306-2 Management of significant waste-related impacts	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
	306-3 Waste generated <sup>3</sup>	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
Own disclosure	Number of refurbished machines	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"

<sup>3</sup> Information unavailable/incomplete: Our waste data management system is currently not fully aligned with the categorization proposed by GRI. We are working on a closer alignment with GRI in the next reporting years.

GRI	Disclosure	Location
<b>Diversity &amp; Inclusion</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 "Engaged employees"
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Section 3.2 "Employee initiatives"
<b>Talent Attraction &amp; Development</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 "Engaged employees"
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Section 3.2 "Employee initiatives"
GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	Section 3.2 "Employee initiatives"
Own disclosure	Employee NPS	"ESG Data 2024 Report": <a href="https://sustainability.bystronic.com/en/downloads">https://sustainability.bystronic.com/en/downloads</a>
Own disclosure	Employee engagement score	"ESG Data 2024 Report": <a href="https://sustainability.bystronic.com/en/downloads">https://sustainability.bystronic.com/en/downloads</a>
<b>Occupational Health &amp; Safety</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 "Engaged employees"
GRI 403: Occupational Health system and Safety 2018	403-1 Occupational health and safety management	Section 3.2 "Employee initiatives"
	403-2 Hazard identification, risk assessment, and incident investigation	Section 3.2 "Employee initiatives"
	403-3 Occupational health services	Section 3.2 "Employee initiatives"
	403-4 Worker participation, consultation, and communication on occupational health and safety	Section 3.2 "Employee initiatives"
	403-5 Worker training on occupational health and safety	Section 3.2 "Employee initiatives"
	403-6 Promotion of worker health	Section 3.2 "Employee initiatives"
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Section 3.2 "Employee initiatives"
	403-8 Workers covered by an occupational health and safety management system	Section 3.2 "Employee initiatives"
	403-9 Work-related injuries	Section 3.2 "Employee initiatives"
	403-10 Work-related ill health <sup>4</sup>	Section 3.2 "Employee initiatives"
GRI 416: Customer Health and Safety	416-2: Incidents concerning the health and safety impacts of products and services	Section 3.2 "Employee initiatives"

<sup>4</sup> Information unavailable /incomplete: We do currently not track work-related ill health but intend to improve our tracking system in the coming years.

## OR 964

Disclosures in accordance with Art. 964 Swiss Code of Obligations	
Art. 964 CO requirement	Location
<b>General Information</b>	Section 1.1 "Introduction", Section 1.3 "Sustainability strategy", Section 1.3.1 "Double materiality"
<b>Non-financial matters</b>	Section 2.1 "Sustainable solutions", Section 2.3 "Decarbonization", Section 2.4 "Resource efficiency and circularity"
Environmental matters	Section 4.1 "Responsible corporate governance", Section 3.3 "Customer initiatives"
Social issues	Section 4.1 "Responsible corporate governance", Section 3.3 "Customer initiatives"
Employee-related issues	Section 3.2 "Employee initiatives"
Respect for human rights	Section 4.1 "Responsible corporate governance"
Combating corruption	Section 4.1 "Responsible corporate governance"

# Financial report

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## Report of the Audit Committee



**“The Center of Excellence can contribute significantly to reducing management costs.”**

**Dr. Roland Abt**  
Chairman of the Audit Committee

The Audit Committee continued to be comprised of Matthias Auer and Roland Abt (Chairman) from the beginning of the reporting year until the Annual General Meeting in April 2024. After the Annual General Meeting, Felix Schmidheiny was appointed to the committee by the Board of Directors. In the reporting year, four regular meetings and two video conferences were held. In addition to the members of the Audit Committee, the Chairman of the Board of Directors, the CEO, and the CFO of the Group generally also attend regular meetings in an advisory capacity. Where items of relevance to the external auditors are on the agenda, their representatives are also present. In addition to the Audit Committee's typical responsibilities, primarily the analysis of the Annual and Half-Year Financial Statements, the following topics were covered in depth.

The internal audit was carried out, as usual, by an external auditing firm, EY, which was awarded the commission following a tender during the previous year, assumed its responsibilities during the first quarter. Intensive onboarding was conducted to acquaint the new auditor with the Bystronic Group's circumstances. Six internal audit reports were submitted during the reporting year and discussed in depth. Of these reports, two were prepared by the previous auditor Deloitte and four by EY. The Audit Committee regularly monitors management's progress in addressing follow-up items identified during the audits.

The Audit Committee has reviewed the sustainability reporting. Its scope and quality have improved significantly in recent years. This year's Annual Report includes all information and data on non-financial matters (Art. 964a ff. CO). The Sustainability Report will be published as part of the Annual Report in the financial years to come.

The area of IT was examined in depth. Particular focus was placed on the further development of business applications and cybersecurity measures. Cost efficiency should be significantly improved by reducing complexity in this area.

Bystronic's difficult economic situation and the resulting restructuring measures impacted the Annual Financial Statement significantly. These outcomes were discussed in detail with the CEO, the CFO and the auditors in an extraordinary meeting in December.

In November, a delegation from the Audit Committee visited the Center of Excellence in Krakow (Poland). The Center of Excellence handles a multitude of administrative processes for Group companies, particularly those in Europe. In addition, half of Group IT employees work there. The Center of Excellence has impressively demonstrated that it can deliver such services with exceptional efficiency and high quality. Plans are underway to relocate additional functions from other companies there as part of the restructuring efforts to reduce administrative costs.

A handwritten signature in black ink, appearing to read "Roland Abt".

**Dr. Roland Abt**  
Chairman of the  
Audit Committee

## Consolidated income statement

CHF million	Note	2024	2023
<b>Net sales</b>	1.1	<b>648.3</b>	<b>930.1</b>
Other operating income	1.4	5.2	5.1
Changes in inventories of unfinished and finished goods		-8.8	-33.1
Material expenses	1.5	-273.5	-371.8
Personnel expenses	1.5	-248.3	-251.9
Other operating expenses	1.5	-181.1	-203.1
Depreciation and impairment on fixed assets	2.3	-18.4	-14.4
Amortization and impairment on intangible and financial assets	2.4/2.5	-7.5	-6.6
<b>Operating result (EBIT)</b>		<b>-84.0</b>	<b>54.4</b>
Financial income	3.3	9.3	7.7
Financial expenses	3.3	-8.2	-7.0
<b>Result before income taxes</b>		<b>-82.8</b>	<b>55.1</b>
Income taxes	1.6	15.3	-13.1
<b>Net result</b>		<b>-67.6</b>	<b>41.9</b>
Attributable to shareholders of Bystronic AG		-67.6	41.9
Earnings per class A registered share in CHF (diluted/basic)	1.7	-32.67	20.28
Earnings per class B registered share in CHF (diluted/basic)	1.7	-6.53	4.06

## Consolidated balance sheet

CHF million	Note	12/31/2024	12/31/2023
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	3.1	123.0	224.6
Securities	3.1	200.0	124.3
Trade receivables	2.2	94.4	117.5
Prepayments to suppliers		4.3	4.6
Other receivables	2.2	29.3	38.4
Inventories	2.2	200.8	237.9
Prepaid expenses and accrued income		13.6	14.4
<b>Total current assets</b>		<b>665.5</b>	<b>761.6</b>
<b>Non-current assets</b>			
Fixed assets	2.3	116.9	124.4
Intangible assets	2.4	8.0	10.8
Financial assets	2.5	98.9	104.9
Deferred tax assets	1.6	31.7	22.4
<b>Total non-current assets</b>		<b>255.6</b>	<b>262.6</b>
<b>TOTAL ASSETS</b>		<b>921.1</b>	<b>1,024.1</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Short-term financial liabilities		0.0	1.7
Trade payables		40.6	52.2
Advance payments from customers	2.2	96.0	95.3
Other short-term liabilities	2.2	23.4	18.9
Short-term provisions	2.6	37.7	22.6
Accrued expenses and deferred income	2.2	68.9	68.5
<b>Total current liabilities</b>		<b>266.6</b>	<b>259.1</b>
<b>Non-current liabilities</b>			
Pension fund liabilities	5.1	0.6	0.5
Long-term provisions	2.6	16.3	16.7
Deferred tax liabilities	1.6	0.4	17.1
<b>Total non-current liabilities</b>		<b>17.3</b>	<b>34.3</b>
<b>Total liabilities</b>		<b>283.9</b>	<b>293.5</b>
<b>Equity</b>			
Share capital	3.2	4.1	4.1
Capital reserves		-31.6	-31.5
Treasury shares	3.2	-1.6	-1.6
Retained earnings		666.4	759.6
<b>Total equity</b>		<b>637.3</b>	<b>730.6</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>921.1</b>	<b>1,024.1</b>

## Consolidated statement of changes in shareholders' equity

CHF million	Note	Share capital	Capital reserves	Treasury shares	Goodwill offset	Translation differences	Cash flow hedges	Other retained earnings	Retained earnings	Total equity
<b>Total equity</b> <b>December 31, 2022</b>		<b>4.1</b>	<b>-31.4</b>	<b>-2.2</b>	<b>-95.9</b>	<b>-74.9</b>	<b>4.7</b>	<b>919.9</b>	<b>753.7</b>	<b>724.2</b>
Net result								41.9	41.9	41.9
Dividends								-24.8	-24.8	-24.8
Changes of cash flow hedging							0.7		0.7	0.7
Purchase of treasury shares	3.2				-0.5					-0.5
Share-based compensation			-0.0	1.1						1.1
Translation differences						-10.6		-1.4	-12.0	-12.0
<b>Total equity</b> <b>December 31, 2023</b>		<b>4.1</b>	<b>-31.5</b>	<b>-1.6</b>	<b>-95.9</b>	<b>-85.5</b>	<b>5.4</b>	<b>935.6</b>	<b>759.6</b>	<b>730.6</b>
Net result								-67.6	-67.6	-67.6
Dividends								-24.8	-24.8	-24.8
Changes of cash flow hedging							6.6		6.6	6.6
Purchase of treasury shares	3.2				-1.3					-1.3
Share-based compensation			-0.1	1.3						1.2
Translation differences						5.8	0.1	-0.1	5.8	5.8
<b>Total equity</b> <b>December 31, 2024</b>		<b>4.1</b>	<b>-31.6</b>	<b>-1.6</b>	<b>-95.9</b>	<b>-79.7</b>	<b>-1.1</b>	<b>843.1</b>	<b>666.4</b>	<b>637.3</b>

## Consolidated cash flow statement

CHF million	Note	2024	2023
Net result		-67.6	41.9
Depreciation and impairment on fixed assets		18.4	14.4
Amortization and impairment on intangible and financial assets		7.5	6.6
Gain/loss on disposal of non-current assets		-0.0	0.0
Change in provisions, deferred taxes and non-current customer loans		-10.8	-10.7
Usage of employer contribution reserve	5.1	5.2	5.3
Share-based compensation	3.2	1.3	1.1
Other non-cash items		-11.3	13.6
Increase/decrease in:			
inventories		44.6	30.2
trade receivables		27.0	38.1
prepayments to suppliers		0.5	1.0
other receivables, prepaid expenses and accrued income		10.8	4.5
trade payables		-10.9	-14.0
advance payments from customers		-2.9	-54.3
other liabilities, accrued expenses and deferred income		2.5	-24.4
<b>Cash flow from operating activities</b>		<b>14.0</b>	<b>53.6</b>
Investment in fixed assets	2.3	-10.1	-13.2
Divestment of fixed assets		0.2	1.2
Investment in intangible assets	2.4	-4.0	-6.2
Divestment of intangible assets		0.0	0.0
Investment in financial assets and securities		-201.1	-126.3
Divestment of financial assets and securities		126.4	125.7
<b>Cash flow from investing activities</b>		<b>-88.6</b>	<b>-18.9</b>
<b>Cash flow from operating and investing activities</b>		<b>-74.6</b>	<b>34.7</b>
Purchase of treasury shares	3.2	-1.3	-0.5
Dividends paid to shareholders of Bystronic AG		-24.8	-24.8
Increase/repayment in short-term financial liabilities		-1.6	1.3
Increase/repayment in other long-term liabilities		0.0	-0.0
<b>Cash flow from financing activities</b>		<b>-27.8</b>	<b>-24.0</b>
Effect of currency translation on cash and cash equivalents		0.8	-2.7
<b>Change in cash and cash equivalents</b>		<b>-101.6</b>	<b>8.0</b>
<b>Reconciliation of change in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of period		224.6	216.6
Cash and cash equivalents at the end of period		123.0	224.6

# Notes to the consolidated financial statements

## Information on the financial report

### General information

The consolidated financial statements comprise the individual financial statements of the group companies of Bystronic AG for the financial year from January 1, 2024, to December 31, 2024. They were prepared in accordance with uniform guidelines and comply with Swiss GAAP FER (Accounting and Reporting Recommendations), including Swiss GAAP FER 31 "Complementary Recommendations for listed entities" and Swiss law. With the exception of derivative financial instruments, which are measured at fair value, the consolidated financial statements are based on historical costs. The same accounting and valuation principles have been used as in the previous year. The principle of individual valuation has been applied to assets and liabilities. Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the rounded amount presented.

The consolidated financial statements were approved for publication by the Board of Directors on February 24, 2025. They are also subject to approval by the General Assembly.

### Changes in accounting principles

On January 1, 2024, the "Swiss GAAP FER 28–Government Grants" (FER 28) and the revised standard "Swiss GAAP FER 30 – Consolidated financial statements" (FER 30) came into force. The new FER 28 standard corresponds to the accounting practice already applied at Bystronic and therefore has no impact on the consolidated financial statements. The amendments to FER 30 mainly specify the accounting and treatment of step acquisitions, goodwill and currency translation differences in connection with Group equity-like loans. According to the new standard, previously unrecognized intangible assets relevant to the acquisition of control of an acquired subsidiary must be identified and recognized. As part of the first-time application of FER 30, the new rules on goodwill will not be applied retrospectively. No further changes to standards have been published.

### Scope and method of consolidation

The consolidated financial statements include the financial statements of Bystronic AG and of all Group companies directly or indirectly controlled by Bystronic AG through investments with more than 50% of the votes or by other means. These Group companies are fully consolidated. The share of minority shareholders in the net assets and net result is disclosed separately. Intragroup receivables and payables, as well as expenses and income, are offset against each other and intragroup profits have been eliminated.

The assets and liabilities of companies, which are included in consolidation for the first time, are measured at fair value. Goodwill arising from this revaluation is offset against equity. First-time consolidations are included from the date on which control is acquired and deconsolidation from the date on which control is relinquished. When companies are sold, the goodwill offset against equity is reflected in the income statement. The disposal is equated with the closure and liquidation of a business unit.

Investments in associated companies or entities (of at least 20% but less than 50% of the voting rights) are accounted for under the equity method. Securities held as non-current assets are valued at acquisition cost, less any necessary value adjustments.

### Currency translation

The consolidated financial statements of Bystronic AG are presented in Swiss francs (CHF). The financial statements of foreign companies are prepared in their respective functional currencies and translated into Swiss francs for consolidation purposes. The resulting currency effects are recognized in equity. Foreign currency gains and losses on long-term equity-like loans to Group companies are also recorded in equity. Following the sale or liquidation of companies, these effects are reflected in the income statement. All gains and losses resulting from foreign currency transactions and adjustments to foreign currency balances at the balance sheet date are recognized in the income statement.

### **Significant event**

On September 11, 2024, Bystronic announced an optimization of the organizational structure and restructuring. The implemented and planned measures have a significant impact on the consolidated financial statements, which are explained under section [1.3 Restructuring and Impairments](#). Further information is provided in the following notes:

- Operating expenses – [note 1.5](#)
- Fixed assets – [note 2.3](#)
- Intangible assets – [note 2.4](#)
- Provisions – [note 2.6](#)

### **Significant estimates made by management**

In preparing the consolidated financial statements, certain assumptions are made that affect the accounting basis to be used, the amounts reported as assets, liabilities, income and expenses and the presentation of these amounts. The assumptions are set out in the following notes:

- Income taxes – [note 1.6](#)
- Inventories – [note 2.2](#)
- Fixed assets – [note 2.3](#)
- Intangible assets – [note 2.4](#)
- Provisions – [note 2.6](#)

### **Definition of alternative performance measures**

Where relevant for the reader, Bystronic has included specific subtotals, which can be found in the relevant tables. Furthermore, Bystronic uses the following key figures in the external financial communications:

- Order intake – [note 1.1](#)
- Backlog – [note 1.2](#)
- Operating result (EBIT) adjusted – [note 1.3](#)
- Net operating assets and return on average net operating assets (RONOA) – [note 2.1](#)
- Operating free cash flow – [note 2.1](#)

### **Events after the balance sheet date**

There are no events after the balance sheet date that either require a value adjustment to the assets and liabilities recognized in the balance sheet or require disclosure.

# 1 Performance

## 1.1 Segment information: order intake/net sales

### Order intake<sup>1</sup>

Order intake is an important performance indicator. An order is recognized when a sales contract is signed, an initial down payment received and the customer's product orders placed at the production plants.

CHF million	2024	2023
EMEA	298.5	368.5
Americas	222.3	290.3
China	56.9	65.4
APAC	47.6	69.8
<b>Order intake</b>	<b>625.4</b>	<b>794.0</b>

<sup>1</sup> The order intake was not subject to the audit.

### Net sales

CHF million January – December 2024	Net sales third parties	Net sales interregion	Total net sales
EMEA	290.7	126.1	416.8
Americas	255.5	3.6	259.1
China	55.7	30.8	86.4
APAC	46.4	3.0	49.4
Eliminations		-163.4	-163.4
<b>Net sales</b>	<b>648.3</b>		<b>648.3</b>

CHF million January – December 2023	Net sales third parties	Net sales interregion	Total net sales
EMEA	453.3	181.8	635.1
Americas	335.1	3.6	338.7
China	63.5	41.9	105.4
APAC	78.2	3.8	82.0
Eliminations		-231.1	-231.1
<b>Net sales</b>	<b>930.1</b>		<b>930.1</b>

The internal reporting will be adjusted in 2025 to the new divisional segmentation Systems and Service. The segmentation by regions will remain in place for the reporting year.

With reference to the recommendation for listed companies (FER 31/8), Bystronic refrains from disclosing segment results in the interest of the shareholders for the following reasons:

– Impairment of negotiating positions:

The disclosure of segment results would allow conclusions to be drawn about pricing, which could significantly affect Bystronic's negotiating position.

– Competitive disadvantage compared to competitors:

Bystronic's competitors do not disclose segment information and detailed segment results. Thus, the disclosure of segment results would put Bystronic at a competitive disadvantage compared to its competitors as the results allow conclusions to be drawn about the margin and cost situation per segment.

**Accounting principles**

External segment reporting is based on the internal reporting used by the Executive Committee and the Board of Directors for corporate management purposes. There are four regional segments at Bystronic: EMEA, Americas, China and APAC.

Machine sales are recognized when the risks and rewards of ownership have been transferred to the buyer. Hence, revenue is recognized upon completion of the installation and when the machine is ready for operation. This is generally recorded in an acceptance protocol. The revenue is recognized separately for transactions with separable components. Services rendered are recognized as revenue based on their stage of completion if this can be reliably estimated. Net sales correspond to the expected value of the services provided, net of sales and value-added taxes, sales deductions such as sales bonuses, rebates and discounts granted as well as value adjustments and currency effects on trade receivables.

## 1.2 Backlog<sup>1</sup>

The backlog at the end of the period equals the backlog at the end of the previous period, adjusted for foreign currency effects, plus the order intake of the reporting period minus net sales of the reporting period.

CHF million	12/31/2024	12/31/2023
Backlog	239.2	252.9

<sup>1</sup> The backlog was not subject to the audit.

### 1.3 Restructuring and impairments

On September 11, 2024, Bystronic decided on a comprehensive reorganization and restructuring to position itself closer to customers and reduce the cost base. As part of this restructuring, the regional organizational structure was replaced by a divisional structure, reducing the Executive Board to four members. Additionally, further comprehensive restructuring measures are being introduced to leverage synergies. This includes the consolidation of Group functions and the global operational structures. The previous production of automation solutions in Italy will be closed, while automation products will continue to be produced in Switzerland and China. For optimization purposes, Bystronic will relocate the production site in China from Shenzhen to Foshan. Overall, more than 600 positions will be cut worldwide.

The costs associated with the restructuring measures amount to CHF 36.6 million.

CHF million	2024
Restructuring costs	-22.6
Impairment losses on assets	-14.0
<b>Restructuring costs and impairment</b>	<b>-36.6</b>

The restructuring expenses include personnel-related costs amounting to CHF 17.3 million, which primarily cover severance payments in EMEA and China, as well as CHF 5.2 million in other operating expenses, mainly due to the closure of the production for automation solutions in Italy. The impairments amounting to CHF 14.0 million include additional depreciation and amortization on fixed assets, intangible assets, and inventories, which are directly related to the restructuring measures.

The table below shows Bystronic's EBIT before and after restructuring costs and impairment.

CHF million	2024	2023
Operating result (EBIT) adjusted	-47.4	54.4
Restructuring costs and impairment	-36.6	-
<b>Operating result (EBIT)</b>	<b>-84.0</b>	<b>54.4</b>

### 1.4 Other operating income

Other operating income includes proceeds from the sale of obsolete materials and income from subsidies and insurance payments. Income-related government grants amounted to CHF 0.5 million (previous year: CHF 1.0 million).

### 1.5 Operating expenses

#### Material expenses

Material expenses include all expenses for raw, auxiliary and operating materials, as well as expenses for the external manufacture, processing or treatment of own products (external services).

Compared to the decrease in net sales of 30.3%, material expenses also dropped by 30.3%, taking into account the changes in inventories of unfinished and finished goods. The ratio of the adjusted material expenses to net sales (materials ratio) amounted to 43.6%, 0.1 percentage points higher than in the previous year. In particular, the higher share of revenue from the service business led to a lower material ratio. This effect was offset by impairments, so the material ratio remained the same as the previous year. As part of the restructuring, impairments of inventories amounting to CHF 7.9 million were made, which are reflected in the material expenses. Further explanations are provided under note [1.3 restructuring and impairments](#).

**Personnel expenses**

CHF million	2024	2023
Wages and salaries	183.4	202.2
Social security benefits	41.4	43.5
Other personnel expenses	6.1	6.2
<b>Total personnel expenses adjusted</b>	<b>230.9</b>	<b>251.9</b>
Personnel-related restructuring costs	17.3	
<b>Total personnel expenses</b>	<b>248.3</b>	<b>251.9</b>
Average number of full-time equivalents	3,268	3,573

Bystronic's personnel expenses decreased by 1.4% compared to the previous year. Due to personnel-related restructuring costs, personnel expenses in relation to sales increased by 11.2 percentage points to 38.3%.

Some Bystronic companies received short-time working compensation or similar personnel-related state subsidies. These were credited to personnel expenses and amounted to CHF 2.3 million (previous year: CHF 0.3 million). The cash flow amounted to CHF 0.7 million (previous year: CHF 0.1 million). In the reporting year, there were 34.6 average full-time equivalents on short-time work (previous year: 4.5 average full-time equivalents).

The personnel-related restructuring costs primarily include severance payments related to the restructuring.

The average number of employees sank by 8.5% to 3,268 full-time equivalents. The decrease in all areas resulted from the economic downturn and the initiated restructuring measures.

**Other operating expenses**

CHF million	2024	2023
Direct costs of sold products	63.5	81.5
Purchased services <sup>1</sup>	45.5	49.2
Maintenance, rent, leasing and energy	28.1	30.2
Sales, marketing and administration	26.1	28.5
Sundry operating expenses	17.9	13.6
<b>Total other operating expenses</b>	<b>181.1</b>	<b>203.1</b>

<sup>1</sup> Purchased services include consulting and audit, IT, research and development and insurances, among others.

Compared to the previous year, Bystronic's other operating expenses decreased by 10.8%. Bystronic was able to reduce costs in all categories, except for sundry operating expenses, which included one-time costs of CHF 5.2 million due to restructuring measures in the reporting year.

In relation to net sales, other operating expenses increased by 6.1 percentage points to 27.9%.

## 1.6 Income taxes

CHF million	2024	2023
Current income taxes	10.8	14.8
Deferred taxes	-26.1	-1.7
<b>Total income taxes</b>	<b>-15.3</b>	<b>13.1</b>

Current income taxes include taxes paid and still owed on the taxable income of the individual companies.

	Tax rate 2024	Income taxes 2024	Tax rate 2023	Income taxes 2023
Average applicable tax rate and income taxes	22.4%	-18.6	22.2%	12.2
Effect of non-recognition of tax losses in current year	-10.3%	8.5	2.8%	1.6
Use of unrecognized tax loss carryforwards	0.1%	-0.1	-0.2%	-0.1
Reassessment of tax loss carryforwards	-3.2%	2.6	0.8%	0.5
Other influences	9.4%	-7.8	-1.9%	-1.1
<b>Effective tax rate and income taxes</b>	<b>18.4%</b>	<b>-15.3</b>	<b>23.8%</b>	<b>13.1</b>

The expected tax rate for Bystronic of 22.4% (previous year: 22.2%) corresponds to the weighted average of tax rates in the respective tax jurisdictions. The effective tax rate is 18.4% (previous year: 23.8%) on ordinary income before taxes. The decrease from the average applicable and expected tax rate to the effective tax rate in the reporting year is mainly due to the non-recognition of tax losses in the current year as well as the reassessment of tax loss carryforwards.

Bystronic calculates deferred taxes at the tax rates actually expected to apply to the temporary differences in the individual companies. These are weighted on average at 16.6% (previous year: 19.8%). Deferred tax assets from loss carryforwards amounted to CHF 12.7 million (previous year: CHF 4.0 million). Under "Other Influences", there is an effect in the reporting year from the lower applied tax rate compared to the statutory tax rate on activated loss carryforwards, which has an impact of 7.3% on the effective tax rate or CHF -6.0 million on income taxes.

Loss carryforwards of CHF 90.0 million (previous year: CHF 28.6 million) were not capitalized. The tax effect is estimated at CHF 18.7 million (previous year: CHF 6.2 million)

### Significant estimates made by management

Significant estimates have to be made to determine the amount of current and deferred income tax assets and liabilities. Some of these estimates are based on the interpretation of existing tax legislation and regulations. Various internal and external factors may have favorable or unfavorable effects on income tax assets and liabilities. These factors include, but are not limited to, changes in tax legislation and regulations and their interpretation, changes in tax rates and in the overall level of current and expected future earnings before taxes. Such changes may impact the current and deferred income tax assets and liabilities recognized in future reporting periods.

**Accounting principles**

Income taxes include current and deferred income taxes. All tax liabilities are accrued, irrespective of their maturity. The expected taxes on the valuation differences between the Group's carrying amounts and the tax bases are accrued at the expected income tax rates for the companies. The change in these deferred taxes is recognized through tax expenses. The deferred tax assets from offsetting loss carryforwards and temporary valuation differences are only capitalized if it is highly probable that future taxes on profits can be offset.

Bystronic is within the scope of the OECD minimum taxation. The global minimum tax regulations stipulate that an additional tax for the difference between the effective GloBE (Global Anti Base Erosion) tax rate per country and the minimum tax rate of 15% must be paid. In Switzerland and most other countries in which Bystronic operates, the laws introducing global minimum taxation came into force on January 1, 2024. Bystronic has made an assessment of the global minimum taxation based on the applicable tax laws, the effective tax rates per country and information on the Group companies. Based on the assessment, Bystronic meets the requirements for the application of the Transitional CbCR Safe Harbor Rules in 2024 in each country concerned. Bystronic therefore does not expect to pay any additional income taxes under global minimum taxation. Bystronic continues to monitor the development of the minimum tax provisions and assesses their impact on the Group on an ongoing basis. Furthermore, Bystronic applies the exemption to the recognition and disclosure of information about deferred income tax assets and liabilities in connection with the income taxes of the minimum tax.

**1.7 Earnings per share**

CHF	2024	2023
Net result attributable to shareholders of Bystronic AG	-67,554,000	41,947,000
Average number of class A registered shares (nominal value: CHF 2.00)	1,824,862	1,825,567
Average number of class B registered shares (nominal value: CHF 0.40)	1,215,000	1,215,000
<b>Earnings per class A registered share in CHF (diluted/basic)</b>	<b>-32.67</b>	<b>20.28</b>
<b>Earnings per class B registered share in CHF (diluted/basic)</b>	<b>-6.53</b>	<b>4.06</b>

Share-based payments do not lead to a dilution of earnings per share.

**Accounting principles**

Earnings per share category were calculated on the basis of the portion of net income attributable to the shareholders of Bystronic AG, based on their portion of the share capital and the average number of outstanding shares (issued shares less treasury shares).

## 2 Invested capital

### 2.1 Net operating assets and operating free cash flow

Bystronic uses the key figures “Net operating assets”, “Return on net operating assets” (RONOA) and “Operating free cash flow” to manage its operating performance, among others.

#### Net operating assets and return on net operating assets

CHF million	12/31/2024	12/31/2023
Trade receivables	94.4	117.5
Prepayments to suppliers	4.3	4.6
Other receivables (without derivatives)	27.5	28.1
Inventories	200.8	237.9
Prepaid expenses and accrued income	13.6	14.4
Fixed assets	116.9	124.4
Intangible assets	8.0	10.8
Long-term receivables and loans	18.3	20.7
Deferred tax assets	31.7	22.4
Trade payables	-40.6	-52.2
Advance payments from customers	-96.0	-95.3
Other liabilities (without derivatives)	-15.7	-17.3
Accrued expenses and deferred income	-68.9	-68.5
Short- and long-term provisions	-54.0	-39.2
Deferred tax liabilities	-0.4	-17.1
<b>Net operating assets (NOA)</b>	<b>240.1</b>	<b>291.0</b>
<b>Net operating assets (NOA), average</b>	<b>265.6</b>	<b>289.5</b>
Operating result (EBIT)	-84.0	54.4
Applied tax rate	18.0%	24.6%
<b>Return on net operating assets (RONOA) after tax</b>	<b>-25.9%</b>	<b>14.2%</b>

For the calculation of net operating assets (NOA), effects from the disposals of discontinued operations are not taken into account. Therefore, in the NOA calculation, financial assets (non-current receivables and loans) are reduced by CHF 66.1 million (previous year: CHF 64.3 million). The interest on the vendor loan of CHF 1.8 million (previous year: CHF 1.7 million) is also not taken into account when calculating the allowable tax expense or the applied tax rate.

Return on net operating assets (RONOA) after tax is calculated from the operating profit (EBIT) after deduction of the chargeable tax expense in relation to the average net operating assets between January 1 and the relevant balance sheet date.

**Operating free cash flow**

CHF million	2024	2023
Cash flow from operating activities	14.0	53.6
Investment in fixed assets	-10.1	-13.2
Divestment of fixed assets	0.2	1.2
Investment in intangible assets	-4.0	-6.2
Investment in financial assets	-1.1	-2.0
Divestment of financial assets	2.1	0.7
<b>Operating free cash flow</b>	<b>1.2</b>	<b>34.0</b>
<b>in % of net sales</b>	<b>0.2%</b>	<b>3.7%</b>
Purchase of marketable securities	-200.0	-124.3
Sale of marketable securities	124.3	125.0
<b>Free cash flow</b>	<b>-74.6</b>	<b>34.7</b>

Operating free cash flow is calculated on the basis of cash flows from operating activities less selected items of cash flows from investment activities. Compared to free cash flow, operating free cash flow excludes changes in marketable securities and money market instruments with a maturity of more than 90 days as well as the acquisition and divestment of business activities.

**2.2 Net working capital****Trade receivables**

CHF million	12/31/2024	12/31/2023
Gross values	105.8	129.5
Value adjustments	-11.4	-12.0
<b>Net values</b>	<b>94.4</b>	<b>117.5</b>

Specific and general value adjustments were recognized for receivables at risk. The general value adjustment is based on empirical values.

**Other receivables**

Other receivables mainly include recoverable value-added taxes, the positive market values of open derivative financial instruments as of the balance sheet date as well as other tax refund claims.

**Inventories**

CHF million	12/31/2024	12/31/2023
Raw materials, supplies and spare parts	119.4	143.5
Semi-finished goods and work in progress	36.1	26.6
Finished goods	108.5	123.1
Value adjustment on inventories	-63.2	-55.4
<b>Total inventories</b>	<b>200.8</b>	<b>237.9</b>

Due to the decline in order intake, the reduction in the order backlog, and impairments, the inventory decreased by CHF 37.0 million in the reporting year.

**Advance payments from customers**

After placing their orders, customers make corresponding advance payments. These slightly increased in the reporting year due to delayed machine acceptances.

**Other short-term liabilities**

This position includes taxes owed, social security contributions, customers with credit balances and negative market values of open derivative financial instruments as of the balance sheet date. The increase compared to the previous year is largely due to the negative market values of the open derivative financial instruments.

**Accrued expenses and deferred income**

CHF million	12/31/2024	12/31/2023
Accruals for personnel expenses	15.3	18.7
Deferred income	19.9	14.7
Accruals and deferrals for current income taxes	16.6	15.1
Other accruals and deferrals	17.1	19.9
<b>Total accrued expenses and deferred income</b>	<b>68.9</b>	<b>68.5</b>

Other accruals and deferrals include goods and services purchased from third parties but not yet invoiced commissions, consulting, audit and installation and service costs.

**Significant estimates made by management**

In assessing the recoverability of inventories, estimates are made on the basis of expected consumption, price trends (lower of cost or market principle) and loss-free valuation. The estimates used to determine value adjustments on inventories are reviewed annually and amended as necessary.

**Accounting principles**

Trade and other receivables are stated at nominal value, less value adjustments for doubtful accounts.

Inventories are valued at the lower of cost or market. Production costs are calculated without imputed interest. Risks arising in connection with inventories difficult to sell or with a long storage period are accounted for by means of value adjustments.

Liabilities are recognized in the balance sheet at nominal value.

## 2.3 Fixed assets

CHF million	Factory buildings <sup>1</sup>	Plant and machinery	Tooling, furniture, vehicles	Assets under construction	Undeveloped real estate <sup>1</sup>	Total fixed assets
<b>Cost at 12/31/2022</b>	<b>124.5</b>	<b>101.9</b>	<b>31.6</b>	<b>2.7</b>	<b>2.8</b>	<b>263.4</b>
Additions	0.8	8.3	1.6	1.8		12.4
Disposals		-2.3	-0.6	-0.5		-3.4
Reclassifications	1.6	-1.1	1.4	-1.8		
Currency translation effects	-6.2	-2.7	-1.5	-0.1	-0.0	-10.5
<b>Cost at 12/31/2023</b>	<b>120.6</b>	<b>104.1</b>	<b>32.5</b>	<b>2.1</b>	<b>2.8</b>	<b>262.0</b>
Additions	0.1	7.0	1.5	-0.0	0.0	8.7
Disposals		-2.1	-1.7	-0.6		-4.4
Reclassifications	0.2	0.5	-0.0	-1.0	0.3	0.0
Currency translation effects	2.2	0.9	0.6	0.0	-0.0	3.8
<b>Cost at 12/31/2024</b>	<b>123.1</b>	<b>110.5</b>	<b>32.9</b>	<b>0.5</b>	<b>3.1</b>	<b>270.1</b>
<b>Accumulated depreciation at 12/31/2022</b>	<b>45.5</b>	<b>60.2</b>	<b>23.5</b>			<b>129.3</b>
Ordinary depreciation	3.6	6.9	3.4			13.9
Impairments		0.0	0.0	0.5		0.5
Disposals	0.0	-1.2	-0.6	-0.5		-2.2
Reclassifications		-0.2	0.2			0.0
Currency translation effects	-1.2	-1.5	-1.1			-3.8
<b>Accumulated depreciation at 12/31/2023</b>	<b>47.9</b>	<b>64.3</b>	<b>25.5</b>			<b>137.7</b>
Ordinary depreciation	3.4	7.1	3.3			13.8
Impairments	0.4	3.0	0.3	0.6	0.2	4.5
Disposals		-2.0	-1.7	-0.6		-4.2
Reclassifications		-0.0	0.0			0.0
Currency translation effects	0.5	0.5	0.4		-0.0	1.4
<b>Accumulated depreciation at 12/31/2024</b>	<b>52.2</b>	<b>72.8</b>	<b>27.9</b>	<b>0.2</b>		<b>153.2</b>
<b>Net book value of fixed assets at 12/31/2023</b>	<b>72.6</b>	<b>39.9</b>	<b>7.0</b>	<b>2.1</b>	<b>2.8</b>	<b>124.4</b>
<b>Net book value of fixed assets at 12/31/2024</b>	<b>70.9</b>	<b>37.6</b>	<b>5.0</b>	<b>0.5</b>	<b>2.9</b>	<b>116.9</b>

<sup>1</sup> The previous year's figures have been adjusted. A piece of developed land is now listed under "Factory buildings", which had been included under "undeveloped land" in the previous year. This has no impact on total fixed assets.

Additions to fixed assets in the reporting year mainly relate to investments in operating facilities at the production site in Niederönz (Switzerland), where further investments in particular were made in a company-owned energy center for more sustainable energy production.

The impairments in the reporting year are essentially directly related to the restructuring measures, which are explained under note 1.3 Restructuring and Impairments.

**Significant estimates made by management**

The recoverability of fixed assets is assessed when there are indications of impairment. If there are such indications, the recoverable amount is calculated. If the carrying amount of an asset exceeds its recoverable amount, an additional value adjustment is recognized. The calculation of the recoverable amount includes the estimation of future cash flows, the determination of the discount factor and the growth rate based on forecasted expectations. Actual cash flows may differ from the discounted future cash flows based on these estimates. Likewise, useful lives may be shortened or values may decline as a result of changes in use due to the relocation or abandonment of sites or if sales are lower than expected in the medium term.

**Accounting principles**

Land is carried at acquisition cost less any value adjustments. Other fixed assets are valued at acquisition or production cost less any necessary depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The useful lives are unchanged as follows:

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Factory buildings	30 to 40 years
Plant and machinery	5 to 12 years
Tooling, furniture and vehicles	2 to 8 years

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## 2.4 Intangible assets

CHF million	Software	Other intangible assets	Total intangible assets
<b>Cost at 12/31/2022</b>	<b>40.5</b>	<b>2.1</b>	<b>42.7</b>
Additions	5.9		5.9
Disposals	-1.6	-0.6	-2.2
Reclassifications	0.0		
Currency translation effects	-0.5	-0.0	-0.5
<b>Cost at 12/31/2023</b>	<b>44.4</b>	<b>1.5</b>	<b>45.9</b>
Additions	3.8		3.8
Disposals	-5.2		-5.2
Currency translation effects	0.2	0.0	0.2
<b>Cost at 12/31/2024</b>	<b>43.2</b>	<b>1.5</b>	<b>44.7</b>
<b>Accumulated depreciation at 12/31/2022</b>	<b>30.1</b>	<b>1.6</b>	<b>31.7</b>
Ordinary depreciation	5.5	0.2	5.7
Impairments	0.2		0.2
Disposals	-1.6	-0.5	-2.1
Currency translation effects	-0.4	-0.0	-0.4
<b>Accumulated depreciation at 12/31/2023</b>	<b>33.8</b>	<b>1.3</b>	<b>35.1</b>
Ordinary depreciation	5.0	0.1	5.2
Impairments	1.5		1.5
Disposals	-5.2		-5.2
Currency translation effects	0.2	0.0	0.2
<b>Accumulated depreciation at 12/31/2024</b>	<b>35.2</b>	<b>1.4</b>	<b>36.6</b>
<b>Net book value of intangible assets at 12/31/2023</b>	<b>10.6</b>	<b>0.2</b>	<b>10.8</b>
<b>Net book value of intangible assets at 12/31/2024</b>	<b>8.0</b>	<b>0.0</b>	<b>8.0</b>

The additions basically relate to investments in the digitalization and automation of business processes. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

The impairments in the reporting year are related to the restructuring measures, which are explained under note 1.3 **Restructuring and Impairments**.

The useful lives are unchanged as follows:

Software	3 to 5 years
Other intangible assets	3 to 5 years

**Goodwill**

Theoretical capitalization of goodwill would result in the following effects on the consolidated financial statements:

Theoretical assets' analysis of goodwill:

CHF million	2024	2023
<b>Cost at 1/1</b>	<b>77.2</b>	<b>85.4</b>
Currency translation effects	3.0	-8.2
<b>Cost at 12/31</b>	<b>80.1</b>	<b>77.2</b>
<b>Accumulated depreciation at 1/1</b>	<b>76.8</b>	<b>82.6</b>
Ordinary depreciation	0.2	2.3
Currency translation effects	3.0	-8.2
<b>Accumulated depreciation at 12/31</b>	<b>80.0</b>	<b>76.8</b>
<b>Net book value of goodwill at 1/1</b>	<b>0.4</b>	<b>2.8</b>
<b>Net book value of goodwill at 12/31</b>	<b>0.2</b>	<b>0.4</b>

Theoretical impact on income statement:

CHF million	2024	2023
Operating result (EBIT)	-84.0	54.4
EBIT margin in %	-13.0%	5.8%
Amortization of goodwill	-0.2	-2.3
Theoretical operating result (EBIT) incl. amortization of goodwill	-84.3	52.0
<b>Theoretical EBIT margin in %</b>	<b>-13.0%</b>	<b>5.6%</b>
Net result	-67.6	41.9
Amortization of goodwill	-0.2	-2.3
<b>Theoretical net result incl. amortization of goodwill</b>	<b>-67.8</b>	<b>39.6</b>

Theoretical impact on balance sheet:

CHF million	12/31/2024	12/31/2023
Equity as per balance sheet	637.3	730.6
Theoretical activation of net book value of goodwill	0.2	0.4
<b>Theoretical equity incl. net book value of goodwill</b>	<b>637.4</b>	<b>731.0</b>
Shareholders' equity in % of total assets	69.2%	71.3%
<b>Theoretical equity incl. net book value of goodwill in % of total assets</b>	<b>69.2%</b>	<b>71.4%</b>

**Significant estimates made by management**

The recoverability of intangible assets (including goodwill) is assessed when there are indications of impairment. If there are such indications, the recoverable amount is calculated. If the carrying amount of an asset or the cash-generating unit to which the asset belongs exceeds its recoverable amount, an additional impairment loss is recognized. The calculation of the recoverable amount includes the estimation of future cash flows, the determination of the discount factor and the growth rate based on forecasted expectations. Actual cash flows may differ from the discounted future cash flows based on these estimates.

**Accounting principles**

Intangible assets are carried at acquisition cost less any value adjustments. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets.

Research and development costs are reflected in the income statement.

Goodwill resulting from acquisitions of control is offset against retained earnings at the time of acquisition. On disposal of a business unit, the goodwill previously offset against equity is reflected in the income statement. The disposal is equated with the closure and liquidation of a business unit. For shadow accounting purposes, goodwill is generally amortized on a straight-line basis over its useful life, which is normally five years.

## 2.5 Other financial assets

CHF million	12/31/2024	12/31/2023
Assets from employer contribution reserves	11.5	16.0
Long-term receivables and loans	84.4	85.0
Securities held as non-current assets	2.9	4.0
<b>Total financial assets</b>	<b>98.9</b>	<b>104.9</b>

Further details on the change in assets from employer contribution reserves can be found in [note 5.1](#). Long-term receivables and loans include long-term customer loans, rent deposits and the granting of a vendor loan (including accrued interest) of CHF 66.1 million (previous year: CHF 64.3 million) in connection with the sale of Mammut Sports Group, which must be repaid by the buyer by January 2027 at the latest. Financial assets are value adjusted by CHF 4.2 million (previous year: CHF 3.2 million). There are value adjustments on long-term customer loans due to outstanding payments of CHF 3.8 million (previous year: CHF 3.0 million) and on non-recoverable securities of CHF 0.4 million (previous year: CHF 0.2 million).

**Accounting principles**

Financial assets are recorded at acquisition cost, less any value adjustments.

## 2.6 Provisions and contingent liabilities

CHF million	Warranty	Litigation	Restructuring <sup>1</sup>	Other	Total provisions
<b>Provisions at 12/31/2022</b>	<b>26.9</b>	<b>2.8</b>	<b>20.6</b>	<b>50.4</b>	
Additions	27.0	0.1		3.0	30.1
Use	-26.4	-0.1		-3.5	-30.0
Release	-3.6	-1.1		-4.5	-9.1
Currency translation effects	-1.5	-0.0		-0.6	-2.2
<b>Provisions at 12/31/2023</b>	<b>22.5</b>	<b>1.7</b>	<b>15.0</b>	<b>39.2</b>	
Additions	21.4	0.8	16.5	2.7	41.4
Use	-21.9	-0.0		-0.9	-22.9
Release	-2.9	-0.2		-1.3	-4.4
Currency translation effects	0.7	-0.0	-0.1	0.0	0.6
<b>Provisions at 12/31/2024</b>	<b>19.8</b>	<b>2.3</b>	<b>16.4</b>	<b>15.6</b>	<b>54.0</b>
of which short-term 2023	18.0	0.0		4.6	22.6
of which short-term 2024	15.8		16.4	5.6	37.7

<sup>1</sup> For reasons of materiality, restructuring provisions are reported as a separate category in the reporting year.

Warranty provisions relate to the sale of products and are based on empirical values. Experience shows that the corresponding cash outflow occurs evenly over the warranty period of one to five years.

Litigation provisions relate mainly to legal cases arising from intellectual property rights and potential guarantees and indemnities in connection with the sale of discontinued operations, where the timing of the cash outflow of the liabilities is uncertain as it depends on the progress of negotiations or proceedings.

The recognized restructuring provisions primarily relate to expected personnel costs directly associated with the introduced restructuring measures, which are explained under section [1.3 Restructuring and Impairments](#).

Other provisions include in particular those for long-service awards and retirement benefits that do not qualify as employee benefit obligations, provisions for impending losses on purchase commitments under master purchase agreements and provisions for tax liabilities.

### Contingent liabilities

In connection with customer financing, there were repurchase obligations for machines to leasing companies for CHF 25.0 million (previous year: CHF 27.4 million). Bystronic companies guarantee to beneficiary leasing companies that it will take the machines back if the lessees fail to pay the agreed installments.

### Significant estimates made by management

The amount of provisions is primarily determined by the estimated future costs. The calculation for warranty claims is based on sales of products, contractual agreements and empirical values. In addition to the lump-sum calculation, individual provisions are taken into account for claims that have occurred or have been reported based on the management's assessment. The lump-sum provision is reduced by the individual provision.

### Accounting principles

Provisions are recognized when an event has occurred prior to the balance sheet date that gives rise to a probable obligation where the amount and/or timing is uncertain but can be estimated. This obligation may be based on legal or factual grounds.

Restructuring provisions are recognized when a management decision is made, creating legitimate expectations among third parties that a restructuring will be carried out. Subsequently, these provisions are continuously updated based on current assessments.

## 3 Financing and risk management

### 3.1 Cash, cash equivalents and securities

Cash and cash equivalents include cash on hand, bank account balances, time deposits and interest-bearing bonds with a remaining maturity of 90 days or less.

Securities include time deposits with a remaining maturity of more than 90 days.

### 3.2 Shareholders' equity

#### Share capital

The share capital of CHF 4.1 million is divided unchanged into 1,827,000 class A registered shares with a nominal value of CHF 2.00 each and 1,215,000 class B registered shares with a nominal value of CHF 0.40 each.

#### Treasury shares/Share-based compensation

CHF million		12/31/2024	12/31/2023
<b>Treasury shares held</b>			
Class A registered shares	Number	4,658	2,093
Average purchase price	CHF	350	768
		2024	2023
Class A registered shares	Number	4,000	1,000
Average purchase price	CHF	325	504
		2024	2023
<b>Disposal of treasury shares</b>			
to the Board of Directors, Executive Committee and other members of the management	Number	1,435	858
Average transaction price <sup>1</sup>	CHF	465	663
<b>Cash value</b>	<b>CHF million</b>	<b>0.7</b>	<b>0.6</b>

<sup>1</sup> The transaction price corresponded to the market value.

The basic compensation of the members of the Board of Directors is paid in cash and in shares (approx. 50% each). The shares are subject to a four-year vesting period. Neither discounts nor performance components are taken into account for the calculation of the share allocation to members of the Board of Directors. The average share price over three months from November 1 to January 31 of the respective term of office is used.

For members of the Group Executive Board, a long-term incentive (LTI) plan exists since 2023. This is a performance share unit plan (PSU). One PSU entitles the plan participant to receive one share in the future, provided certain conditions are fulfilled at the end of the vesting period. The number of allocated PSUs is based on the target LTI value guaranteed by the employment contract. The target LTI value amounts to 20% of the total target compensation for all Executive Committee members, including the CEO. The target LTI value divided by the fair value of the PSUs on the day of allocation yields the number of PSUs granted, whereby fractions are rounded up to the next whole number. The fair value of PSUs is determined by a specialized consulting firm according to internationally recognized methods. Allocation takes place on April 1 each year, for the new CEO in the reporting year as of July 1. The allocated PSUs are vested after three years; for each vested PSU, the plan participant is entitled to a class A registered share of Bystronic AG. The number of PSUs actually vested depends on the fulfillment of two specific performance targets over the three-year performance period. The first share allocation under this plan will be transferred in 2026. Further information on the plan can be found in the [Compensation Report](#).

The members of the Executive Committee (excluding the former CEO) were entitled to participate in the share-based LTI program until the end of 2022. This was a “restricted share unit” (RSU) plan. The target LTI value for members of the Executive Committee (excluding the CEO) was 15% of the total target compensation. The first allocation of share rights (RSUs) took place at the end of March 2018. The actual LTI value for the management level mentioned above depends on earnings per share (EPS) and could vary between 100% and 150% of the target LTI value. The calculated monetary value was divided by the average share price from November 1 of the previous period to January 31 of the current period to determine the number of RSUs granted, without discount. The RSUs are subject to a vesting period of three years, starting on the grant date and ending on the vesting date. The conversion of the vested RSUs into shares of Bystronic AG (conversion ratio of 1:1) takes place at the vesting date, provided that there is a continuing employment relationship at that time. The shares transferred to the plan participant can be freely disposed of by the same and are in their name, carrying voting and dividend rights. The last share allocations to members of the Group Executive Board (excluding the former CEO) under the RSU plan will be transferred in April 2025. A complete overview of the current RSU plans can be found in the [Compensation Report](#).

The RSU plan remains in place for selected executives.

For the share-based compensation component for the reporting year, personnel expenses of CHF 1.3 million (previous year: CHF 1.1 million) were recognized.

#### **Compensation and shareholdings**

The compensation paid to the Board of Directors and the Executive Committee is disclosed in the Compensation Report, which forms an integral part of this annual report. Their holdings in Bystronic AG are disclosed in the [notes to the financial statements of Bystronic AG](#).

#### **Non-distributable reserves**

As of the balance sheet date, the non-distributable reserves of the holding company Bystronic AG amount to CHF 2.4 million (previous year: CHF 2.4 million). Included therein are CHF 1.6 million related to treasury shares (previous year: CHF 1.6 million) and non-distributable reserves of CHF 0.8 million (previous year: CHF 0.8 million).

#### **Accounting principles**

Treasury shares are recognized at cost at the time of purchase. Treasury shares are recognized as a negative item in equity. In the event of a subsequent resale, the profit or loss is credited to legal capital reserves.

Share-based compensation to members of the Board of Directors and Executive Committee is measured at fair value at the grant date and charged to personnel expenses in the period in which the service is rendered.

### 3.3 Financial result

CHF million	2024	2023
Financial income	9.3	7.7
Financial expenses	-8.2	-7.0
<b>Total financial result</b>	<b>1.2</b>	<b>0.7</b>

Financial income includes interest income of CHF 8.4 million (previous year: CHF 6.5 million), a positive performance on the assets of the employer contribution reserve of CHF 0.7 million (previous year: CHF 0.9 million) and a gain on marketable securities of CHF 0.2 million (previous year: CHF 0.3 million).

Financial expenses include interest and currency hedging costs for the financing of foreign Group companies in foreign currencies of CHF 5.4 million (previous year: CHF 5.7 million) and foreign exchange losses of CHF 2.8 million (previous year: CHF 1.3 million). The foreign exchange losses include currency effects from the valuation of cash and cash equivalents, short-term loans between Group companies and other financial assets.

### 3.4 Operating lease

Maturity of operating lease contracts in CHF million	12/31/2024	12/31/2023
Under 1 year	5.7	6.0
1 to 5 years	7.1	7.1
<b>Total operating lease contracts</b>	<b>12.8</b>	<b>13.2</b>

### 3.5 Other commitments and pledged assets

At the balance sheet date, there were no off-balance sheet commitments and no pledged assets.

### 3.6 Financial risk management

Through its business activities, Bystronic is exposed to financial risks, such as currency, credit, liquidity and interest rate risks. Risk management is focused on the unpredictability of developments in the financial markets and aims to minimize the potential negative impact on the Group's financial position. Risk management is carried out by Bystronic's finance department in accordance with guidelines approved by the Board of Directors. They define the use of derivatives and the handling of foreign currency risks, interest rate risks and credit risks. The guidelines are binding for all Bystronic companies.

Risk	Source	Risk management
Currency risks	Bystronic operates internationally and is therefore exposed to currency risks, which may affect operating profit and the financial result, as well as the Group's equity.	<ul style="list-style-type: none"> <li>– Natural hedging is used by purchasing goods in the currency in which they will be sold.</li> <li>– Currency risks are hedged using derivative financial instruments.</li> </ul>
Credit risks arising from business operations and financial transactions	The credit risk is the risk of suffering a financial loss if a counterparty is unable to meet its contractual obligations. Credit risks may arise from receivables, financial assets, credit balances with financial institutions, securities and derivative financial instruments.	<ul style="list-style-type: none"> <li>– Independent ratings of financial institutions are periodically reviewed.</li> <li>– Risks of liquid assets are further reduced by using different financial institutions instead of a single bank.</li> <li>– Cluster risks of receivables and financial assets are reduced through broad geographical distribution and a large number of customers.</li> <li>– Customers' creditworthiness is assessed taking account of specific checks and past experiences.</li> </ul>
Liquidity risks	A liquidity risk results from the risk of being unable to meet financial obligations when they fall due.	<ul style="list-style-type: none"> <li>– Prudent liquidity management includes holding sufficient reserves of liquid funds, which are constantly monitored, and the option of financing through lines of credit.</li> </ul>
Interest rate risks	Interest rate risks can arise from changes in future interest payments due to fluctuations in market interest rates or through changes in market value.	<ul style="list-style-type: none"> <li>– Bystronic does not have any assets and liabilities, which would be substantially affected by significant changes in the interest rate environment.</li> </ul>

#### Conversion rates

Currency	Unit	Closing rate		Average rate	
		12/31/2024	12/31/2023	2024	2023
EUR	1	0.9412	0.9260	0.9519	0.9759
USD	1	0.9060	0.8380	0.8778	0.9028
CNY	100	12.4115	11.7948	12.2195	12.7711

**Derivative financial instruments**

CHF million	12/31/2024	12/31/2023
Contract or nominal values (gross)	291.8	317.4
Positive replacement values	1.9	10.3
Negative replacement values	7.7	1.6

Contracts were concluded to hedge currency risks arising from operating activities in various currencies.

**Accounting principles**

All open derivatives are recognized at fair value as of the balance sheet date and reported gross in the balance sheet under other receivables or other liabilities. Changes in the value of derivatives used to hedge recognized underlying transactions are recognized in the same way as the underlying transaction. Changes in the value of derivatives used to hedge future cash flows are recognized in equity until the underlying transaction is settled. At the time the hedged item is recognized in the balance sheet, the gain or loss recognized in equity is transferred to the income statement.

## 4 Group structure

### 4.1 Disposals

There were no disposals in 2024 and 2023.

### 4.2 Changes in the scope of consolidation

#### Changes in current year

– As of December 17, 2024, Kurago Asia Ltd., Changwon (Korea) was merged with Bystronic Korea, Ltd., Incheon (Korea).

#### Changes in previous year

– As of January 1, 2023, Conzzeta Management AG, Zürich (Switzerland) was merged with Bystronic AG, Zürich (Switzerland).

### 4.3 Group companies

Company, domicile	Notes	Country	Company capital	Investment in % direct	Investment in % indirect
<b>Bystronic</b>					
<b>EMEA</b>					
Bystronic Laser AG, Niederönz					
Bystronic Scandinavia AB, Rosersberg	SE	SEK	200,000	100	
Bystronic Maschinenbau GmbH, Gotha	DE	EUR	3,400,100	100	
Bystronic Italia S.r.l., Pieve Emanuele	IT	EUR	900,000	100	
Bystronic France SAS, Les Ulis	FR	EUR	2,500,000	100	
Bystronic Deutschland GmbH, Heimsheim	DE	EUR	52,000	100	
Bystronic Ibérica, S.A., San Sebastián de los Reyes	ES	EUR	262,000	100	
Bystronic Austria GmbH, Pasching	AT	EUR	300,000	100	
Bystronic Benelux B.V., Meerkerk	NL	EUR	18,151	100	
Bystronic UK Ltd., Coventry	UK	GBP	1,200,000	100	
Bystronic Sales AG, Niederönz	CH	CHF	200,000	100	
Bystronic Polska Sp. z o.o., Komorów	PL	PLN	1,000,000	100	
Bystronic Czech Republic s.r.o., Brno	CZ	CZK	6,000,000	100	
Bystronic Lazer ve Bükme Makineleri Sanayi ve Ticaret Ltd Şti, İstanbul	TR	TRY	660,000	100	
S.C. Bystronic Laser S.R.L., Brasov	RO	RON	3,277,000	100	
LLC Bystronic Ukraine, Kyiv	UA	UAH	15,900,873	100	
Bystronic Magyarország Kft., Budaörs	HU	HUF	25,000,000	100	
Bystronic Automation Technology S.p.A., San Giuliano Milanese	IT	EUR	250,000	100	
Bystronic Tube Processing S.p.A., Cazzago San Martino	IT	EUR	750,000	100	
Kurago Software, S.L., Bilbao	ES	EUR	3,000	100	
<b>Americas</b>					
Bystronic Inc., Hoffman Estates	US	USD	250,000	100	
Bystronic Mexico, S.A. de C.V., Apodaca	MX	MXN	106,500,000	100	
Bystronic do Brasil Ltda., Colombo	BR	BRL	9,000,000	100	
Bystronic Canada Ltd., Mississauga	CA	CAD	100,000	100	
Bystronic Manufacturing Americas, LLC, Hoffman Estates	US	USD	1,000,000	100	
<b>China</b>					
Bystronic Co., Ltd. (Shanghai), Shanghai	CN	CNY	43,406,070	100	
Bystronic (Tianjin) Laser Ltd., Tianjin	CN	CNY	76,792,070	100	
Bystronic (Shenzhen) Laser Technology Co., Ltd., Shenzhen	CN	CNY	44,600,000	100	
Bystronic (Shanghai) Automation Technology Co., Ltd., Shanghai	CN	CNY	63,000,000	100	
<b>APAC</b>					
Bystronic Pte. Ltd., Singapore	SG	SGD	4,050,000	100	
Bystronic Korea, Ltd., Incheon	KR	KRW	14,901,000,000	100	
Bystronic Laser India Private Ltd., Pune	IN	INR	602,420	100	
Bystronic Japan, Ltd., Tokyo	JP	JPY	100,000,000	100	
Bystronic International Laser Ltd., New Taipei City	TW	TWD	5,000,000	100	
Bystronic Australia Pty Ltd, Cranbourne West	AU	AUD	100,000	100	

Bystronic Vietnam Co., Ltd., Ho Chi Minh City	VN	VND	33,165,000,000	100
Bystronic (Thailand) Co., Ltd., Bangkok	TH	THB	15,000,000	100
Kurago Asia Ltd., Changwon	1	KR		

**Corporate entities**

Bystronic Holding Deutschland AG, Heimsheim	DE	EUR	6,000,000	100
Conzzeta Management AG, Zurich	2	CH		
Bystronic Grundstücksverwaltungs GmbH, Heimsheim	DE	EUR	50,000	100
Bystronic Vermögensverwaltungs AG & Co. KG, Heimsheim	DE	EUR	100,000	100
Kureta GmbH, Heimsheim	3	DE	EUR	100,000

<sup>1</sup> Merger with Bystronic Korea, Ltd. as per December 17, 2024

<sup>2</sup> Merger with Bystronic AG as per January 1, 2023

<sup>3</sup> in liquidation

## 5 Other notes

### 5.1 Employee benefit plans

CHF million	Balance 12/31/2024	Balance 12/31/2023	Result in personnel expenses 2024	Result in financial income 2024	Result in personnel expenses 2023	Result in financial income 2023
<b>Employer contribution reserves</b>						
Employer-funded pension fund Bystronic	11.5	16.0	-5.2	0.7	-5.3	0.9

There is no waiver of use of the employer contribution reserve. In the reporting year, CHF 5.2 million of pension fund contributions were offset against the employer contribution reserve (previous year: CHF 5.3 million). The use of the employer contribution reserve of Bystronic Laser AG led to lower personnel expenses in its statutory financial statements. This led to a reduction in the other financial assets and additional personnel expenses in the consolidated financial statements in the same amount. The net effect on the consolidated financial statements is zero. The change of CHF 0.7 million (previous year: CHF 0.9 million) resulted from the positive performance of the assets of the employer contribution reserve, which was allocated to the financial result.

CHF million	Surplus/ deficit 12/31/2024	Economic benefit/ obligation 12/31/2024	Economic benefit/ obligation 12/31/2023	Currency translation effect/use 2024	Change to prior year - affecting result 2024	Contribu- tions to be allocated to reporting period 2024	Current service cost in personnel expenses 2024	Current service cost in personnel expenses 2023
<b>Economic benefit/ obligation and current service cost</b>								
Employer-funded pension fund	2.9							
Pension funds without surplus/deficit						6.5	6.5	7.0
Pension funds with deficit	-0.6	-0.6	-0.5	-0.0	0.7	0.7	0.8	
<b>Total</b>	<b>2.4</b>	<b>-0.6</b>	<b>-0.5</b>	<b>-0.0</b>	<b>7.1</b>	<b>7.1</b>	<b>7.7</b>	

In the previous year, the net surplus amounted to CHF 2.7 million and the contributions accrued for the reporting period amounted to CHF 7.7 million.

The departures due to the restructuring measures in the reporting year led to a partial liquidation of the employer-funded pension fund and will lead to a partial liquidation of the Bystronic pension fund.

The reported surplus from free reserves of the employer's pension plan is not intended for economic use by the Group. The decrease in the reporting year is due to the partial liquidation carried out.

### **Accounting principles**

The pension obligations of the group companies for retirement, death or disability are based on the regulations and practices applicable in the respective countries. Contributions are made on an ongoing basis. The income statement includes the pension and benefit payments and outstanding benefits during the accounting period and the regular contributions to the various pension funds. Private pension plans in Switzerland are designed to build up retirement assets with conversion into fixed retirement pensions and supplementary risk benefits. The actual economic effects of pension plans on the company are calculated as of the balance sheet date. An economic benefit is capitalized if it will be used for the company's future pension expenses. An economic obligation is recognized as a liability if the conditions for recognizing a provision are met. An economic benefit or an economic obligation as a result of partial liquidation is assessed separately. Separately existing, freely available employer contribution reserves are recognized as assets. The difference between the economic benefits and obligations determined each year and the change in the employer contribution reserve is recognized in the income statement.

Employees of the Swiss subsidiaries are insured in the "GEMINI Collective Foundation". This pension fund is legally independent and financed by contributions from employers and employees. Any surplus or deficit is determined on the basis of the pension fund's provisional annual financial statements prepared in accordance with Swiss GAAP FER 26.

Some subsidiaries abroad have local pension plans. These are treated in the same way as the Swiss plan in terms of accounting, i.e. the amounts paid are generally recognized as an expense. The surplus or deficit is determined using actuarial methods.

### **5.2 Related-party transactions**

As in the previous year, there were no transactions with related parties and companies at Bystronic.



# Report of the statutory auditor

to the General Meeting of Bystronic AG, Zurich

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the consolidated financial statements of Bystronic AG and its subsidiaries (the Group), which comprise the consolidated income statement for the year ended 31 December 2024, the consolidated balance sheet as at 31 December 2024, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements (pages 79 to 109) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Our audit approach



#### Overview

Overall group materiality: CHF 3.5 million

We concluded full scope audit work at 14 reporting units in nine countries. In addition, specific procedures were performed on another production unit. These reporting units represent approximately 72% of the Group's net sales.

As key audit matters the following areas of focus have been identified:

Revenue recognition of machine sales in the correct period

Restructuring

### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

<b>Overall group materiality</b>	CHF 3.5 million
<b>Benchmark applied</b>	Net sales
<b>Rationale for the materiality benchmark applied</b>	We chose net sales as the benchmark because, in our view, it is one of the benchmarks against which the performance of the Group is most commonly measured. Additionally, net sales is a generally accepted benchmark for materiality considerations.

We agreed with the Audit Committee that we would report to them misstatements above CHF 0.2 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

#### **Audit scope**

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

By the end of 2024, the Group is organised into four regional segments – EMEA, Americas, China and APAC. The Group's financial statements are a consolidation of 42 group companies, including the Group's operating businesses as well as central service functions. Each unit is considered a component for audit purposes.

We identified 14 reporting units that, in our view, required a full scope audit and one reporting unit that required specific procedures owing to their size and risk characteristics. These 15 reporting units contribute approximately 72% of the Group's net sales. The remaining 28% of the Group's net sales are represented by a large number of smaller reporting units. None of these units individually contributes more than 5% to the Group's net sales.

Where the work was performed by component auditors, we determined the necessary level of our further involvement in the audit work in addition to providing our instructions. This consisted of inquiries of component audit teams, inspecting their work in selected areas, conducting planning and closing calls, or reviewing their final reporting.

Further specific audit procedures on central service functions, Group consolidation and areas of significant judgement (including taxation, treasury and litigation) were carried out under the direct supervision of the Group audit team.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Revenue recognition of machine sales in the correct period**

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
Net sales represent an important basis for assessing Bystronic's performance and is therefore in the focus of the company's internal targets and external communication towards shareholders and other stakeholders. Therefore, the pressure that may arise to achieve net sales targets leads to an increased risk with respect to recognising net sales in the correct period.	<p>We have performed the following audit procedures to conclude on the appropriate recognition of revenue in the correct period:</p> <ul style="list-style-type: none"> <li>• Obtain an understanding of the revenue &amp; receivable process, in relation to revenue recognition and associated key controls.</li> </ul>



Bystronic recognises machine sales when the risk and rewards of ownership have been transferred to the buyer. Hence, revenue is recognised upon completion of the installation and when the machine is ready for operation. This is generally recorded in an acceptance protocol, but in exceptional cases, revenue can be recognised also in absence of an acceptance protocol if certain criteria are fulfilled cumulatively.

For the accounting principles we refer to section 1.1 in the notes to the consolidated financial statements.

- Audit occurrence and accuracy of revenue based on a sample. For each sample we agreed order confirmation, delivery note, invoice, proof of payment and the acceptance protocol.
- Audit appropriate recognition of revenue in the correct period at year-end based on a sample. For each sample we agreed order confirmation, delivery note, invoice, proof of payment and the acceptance protocol.
- We verified that machines sales without an acceptance protocol, have only been recognised as revenue when the risk and rewards of ownership have been transferred to the buyer.
- Audit of credit notes after the year-end.

We consider the approach to recognise revenue of machine sales in the correct period as reasonable.

#### Restructuring

Key audit matter	How our audit addressed the key audit matter
<p>On 11 September 2024, Bystronic announced that it would optimize the organizational structure and take restructuring measures. On 16 October 2024, Bystronic initiated as part of the restructuring program measures to operationally consolidate group functions and locations. These measures include the reduction of around 600 jobs and the closure of the previous production for automation solutions in Italy.</p> <p>In the financial year, restructuring led to restructuring expenses of CHF 22.6 million and impairments on assets of CHF 14 million. The expenses were charged to the 2024 consolidated income statement. The restructuring provision as of 31 December 2024 amounts to CHF 16.4 million.</p> <p>The recognition of restructuring provisions and the assessment of the recoverable amount of assets requires management to take estimates. In addition, the associated expenses have a significant impact on the group's financial position. We therefore consider the presentation of the financial effects of the restructuring measures to be a particularly important matter.</p> <p>We refer to explanation 1.3 restructuring and impairment in the consolidated financial statements.</p>	<p>In connection with the presentation of the financial effects of the restructuring measures, we carried out the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Assessment of compliance with the criteria of FER 23 for recording restructuring provisions.</li> <li>• Examination of the valuation of the restructuring provision based on information in the social plan, company agreements and internal calculations as well as management estimates.</li> <li>• Assessment of estimates made by management regarding impairment of inventories, property, plant and equipment, intangible assets and other assets.</li> <li>• Assessment of presentation and disclosure in the consolidated financial statements.</li> </ul> <p>Based on our audit procedures, we consider the approach chosen by management to present the financial effects of the restructuring to be justifiable.</p>

#### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Board of Directors' responsibilities for the consolidated financial statements**

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTSuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

**Report on other legal and regulatory requirements**

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

A handwritten signature in black ink, appearing to read 'B. Kovács'.

Blaženka Kovács-Vujević  
Licensed audit expert  
Auditor in charge

A handwritten signature in blue ink, appearing to read 'T. Handschin'.

Tobias Handschin  
Licensed audit expert

Zürich, 24 February 2025

## Income statement Bystronic AG

CHF 1,000	2024	2023
Income from investments	0	20,496
Financial income	19,565	18,454
Other operating income	444	278
<b>Total income</b>	<b>20,009</b>	<b>39,228</b>
Financial expenses	-8,773	-8,439
Other operating expenses	-5,480	-5,872
Income taxes	-516	-872
<b>Total expenses</b>	<b>-14,769</b>	<b>-15,183</b>
<b>Net result</b>	<b>5,240</b>	<b>24,045</b>

## Balance sheet Bystronic AG

CHF 1,000	12/31/2024	12/31/2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	99,988	205,654
Securities	199,998	124,260
Other receivables		
from third parties	4,036	11,487
from investments	1,709	364
Prepaid expenses and accrued income	980	1,314
<b>Total current assets</b>	<b>306,711</b>	<b>343,079</b>
<b>Non-current assets</b>		
Financial assets		
from investments	373,180	339,852
from third parties	66,086	64,288
Investments	118,281	118,281
<b>Total non-current assets</b>	<b>557,547</b>	<b>522,421</b>
<b>TOTAL ASSETS</b>	<b>864,258</b>	<b>865,500</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Interest-bearing liabilities		
to investments	67,394	49,594
Other payables		
to third parties	8,402	1,499
to associates	157	156
to investments	185	5,470
Accrued expenses and deferred income	1,777	2,216
<b>Total current liabilities</b>	<b>77,915</b>	<b>58,935</b>
<b>Equity</b>		
Share capital	4,140	4,140
Legal capital reserves		
Reserve from capital contributions	72	72
Other capital reserves	96,466	97,074
Legal retained earnings	828	828
Voluntary retained earnings	650,000	650,000
Retained earnings	36,467	56,059
Treasury shares	-1,630	-1,608
<b>Total equity</b>	<b>786,343</b>	<b>806,565</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>864,258</b>	<b>865,500</b>

# Notes to the financial statements of Bystronic AG

## Principles

### General remarks

The financial statements 2024 of Bystronic AG have been prepared in accordance with the provisions of the Swiss Code of Obligations. The significant accounting policies applied but not required by law are described below.

The financial statements were approved for publication by the Board of Directors on February 24, 2025. They are also subject to approval by the General Assembly.

### Financial assets

Financial assets consist of investments with a long-term investment purpose. Loans granted in foreign currencies are valued at the current closing rate.

### Derivative financial instruments

Foreign exchange hedging transactions are entered to hedge currency risks arising from operating activities. All open derivatives are recognized at fair value as of the balance sheet date and reported gross in the balance sheet under other receivables or other current liabilities. Changes in the value of derivatives used to hedge recognized underlying transactions are recognized in the income statement in the same way as the underlying transactions.

### Interest-bearing liabilities

Interest-bearing liabilities are recognized at nominal value.

### Treasury shares

Treasury shares are recognized at cost at the time of acquisition. Treasury shares are recognized as a negative item in equity. In the event of subsequent resale, the gain or loss is credited to legal capital reserves.

### Share-based compensation

Share-based compensation to members of the Board of Directors is measured at fair value at the grant date and charged to other operating expenses in the period in which the service is rendered.

## Disclosures on income statement and balance sheet items

### Income

Dividend payments of the subsidiaries are determined depending on retained earnings and capital requirements. Financial income includes interest income on receivables from investments of CHF 12.4 million (previous year: CHF 12.9 million), interest income from third parties of CHF 7.0 million (previous year: CHF 5.3 million) and a gain on marketable securities of CHF 0.2 million (previous year: CHF 0.3 million). Other operating income of CHF 0.4 million (previous year: CHF 0.3 million) is related to brokerage fees from insurance companies CHF 0.4 million (previous year: CHF 0.2 million). In the previous year, this position also included further other operating income of CHF 0.1 million.

### Expenses

Financial expenses result from interest on liabilities to investments of CHF 2.7 million (previous year: CHF 2.3 million), currency hedging costs (interest differences) of balance sheet items in foreign currencies of CHF 5.1 million (previous year: CHF 5.3 million), commitment fees for bank loans of CHF 0.4 million (previous year: CHF 0.3 million) and foreign exchange losses on cash and cash equivalents and on receivables from investments of CHF 0.6 million (previous year: CHF 0.1 million). In the previous year, this position also included other hedging costs of CHF 0.4 million. Other operating expenses include current administrative and project costs, capital taxes as well as the fees of the Board of Directors amounting to CHF 1.3 million (previous year: CHF 1.3 million).

#### **Current assets**

Cash and cash equivalents comprise bank deposits, time deposits and interest-bearing bonds with a remaining maturity of 90 days or less, mostly in Swiss francs. Marketable securities include time deposits in Swiss francs with a remaining maturity of more than 90 days. Other receivables from third parties include recoverable input and withholding taxes, as well as taxes at source of CHF 3.0 million (previous year: CHF 1.2 million) and balances from foreign exchange hedging transactions with banks of CHF 1.0 million (previous year: CHF 10.3 million). Other receivables from investments include the credit balances from currency hedging transactions of CHF 1.2 million (previous year: CHF 0.3 million) and further other receivables from investments of CHF 0.5 million (previous year: CHF 0.1 million).

#### **Non-current assets**

Financial assets consist of investments with a long-term investment purpose. Receivables from investments increased by CHF 33.3 million in the reporting year. Other financial assets from third parties relate to a vendor loan in connection with the sale of Mammut Sports Group AG, which must be repaid by the buyer by January 2027 at the latest.

#### **Liabilities**

Other short-term liabilities mainly include liabilities from currency hedging transactions to banks of CHF 7.7 million (previous year: CHF 1.4 million) and to investments of CHF 0.2 million (previous year: CHF 5.5 million).

#### **Equity**

The share capital of CHF 4.1 million (previous year: CHF 4.1 million) is divided into 1,827,000 class A registered shares and 1,215,000 class B registered shares. At the end of 2023, the company held 2,093 class A registered shares at an average purchase price of CHF 768 each. For the participation program, 4,000 class A registered shares were acquired in the reporting year at an average transaction price of CHF 325 each. The Board of Directors was allocated 1,133 class A registered shares at an average transaction price of CHF 464 each. Members of the Executive Board and other members of management were allocated 302 class A registered shares at an average transaction price of CHF 471 each. These costs were invoiced to the group companies with which these persons have an employment relationship. The transaction price corresponded to the market value in each case. As of December 31, 2024, 4,658 class A registered shares are held at an average purchase price of CHF 350 each.

## Further disclosures

### Full-time positions

No employees are employed at Bystronic AG.

### Contingent liabilities

CHF 1,000	2024	2023
Sureties and guarantee obligations for subsidiaries	89,217	103,209
Effective obligations	10,928	19,865

### Investments

The investments are listed in [note 4.3 of the consolidated financial statements](#). The voting shares correspond to the capital shares.

### Significant shareholders

Shareholder	2024	2023
<b>Auer, Schmidheiny and Spoerry shareholder group</b>		
Capital rights	29.0%	28.9%
Voting rights	51.1%	51.0%
<b>UBS Fund Management (Switzerland) AG</b>		
Capital rights	5.8%	
Voting rights	3.9%	

The Auer, Schmidheiny and Spoerry shareholder group consists of Dr. Matthias Auer, Martin Byland, Rudolf Byland, Christina Byland, Caliza Holding AG, Marina Marti-Auer, Marina Milz, Adrian and Annemarie Herzig-Büchler, Sven and Rosmarie Mumenthaler-Sigrist, Jacob Schmidheiny, Margrit Schmidheiny, Felix Schmidheiny, Helen Schmidheiny, Kathrin Spoerry, Christina Spoerry, Heinrich Spoerry-Niggli, Robert F. Spoerry, Ursula Oggensfuss und Jürg Spoerry.

### Shareholdings held by members of the Board of Directors and Executive Board and related persons

Number	Class A registered shares 12/31/2024	Class A registered shares 12/31/2023	Class B registered shares 12/31/2024	Class B registered shares 12/31/2023
<b>Board of Directors</b>				
Dr. Heinz O. Baumgartner, Chairman	680	303		
Dr. Roland Abt, Member	582	474		
Dr. Matthias Auer, Member	23,006	22,898	1,008	1,008
Inge Delobelle, Member	184	76		
Urs Riedener, Member	582	474		
Felix Schmidheiny, Member	41,108	41,000		
Robert F. Spoerry, Member	7,729	7,621	148	148
Eva Zauke, Member	108			

Dr. Matthias Auer, Felix Schmidheiny and Robert F. Spoerry hold further registered shares under a shareholder agreement within the Auer, Schmidheiny and Spoerry shareholder group.

Number	Class A registered shares 12/31/2024	Class A registered shares 12/31/2023
<b>Executive Board</b>		
Eamon Doherty	86	52
Alberto Martinez	84	50

The other members of the Executive Board do not hold any shares in Bystronic AG at the reporting date.

Compensation paid to members of the **Board of Directors** and **Executive Board** is shown in the Compensation Report.

#### Share-based compensation

The basic compensation of the members of the Board of Directors is paid in cash and in shares (approx. 50% each) with a four-year vesting period. Neither discounts nor performance components are taken into account for the calculation of the Board of Directors' share allocation. The average share price over three months from November 1 to January 31 of the respective term of office is used.

In 2024, a total of 1,133 class A registered shares were allocated to the Board of Directors for the previous year. The valuation was made using a share price of CHF 464 and amounted to CHF 0.5 million. For the share-based compensation component for the reporting year, an expense accrual in the amount of CHF 0.4 million (previous year: CHF 0.5 million) is included in other operating expenses.

#### Events after the balance sheet date

There are no events after the balance sheet date that require a value adjustment to the assets and liabilities recognized in the balance sheet or that require disclosure.

## Proposal of the Board of Directors on the appropriation of retained earnings and legal retained earnings of Bystronic AG

CHF	2024
The Board of Directors proposes to the Annual General Meeting on April 22, 2025, that the total sum available for appropriation, consisting of:	
Net result	5,240,235
Retained earnings carried forward from previous year	31,226,863
<b>Retained earnings</b>	<b>36,467,098</b>
Treasury shares (held directly)	1,630,167
<b>Total retained earnings available for appropriation</b>	<b>34,836,931</b>
be appropriated as follows:	
Dividend of CHF 4.00 per class A registered share	7,308,000
Dividend of CHF 0.80 per class B registered share	972,000
<b>Total dividend</b>	<b>8,280,000</b>
Retained earnings to be carried forward	28,187,098

If the proposal is approved, the dividend payment for the year 2024 will be:

CHF	Gross dividend	35% withholding tax	Net dividend
Per class A registered share	4.00	1.40	2.60
Per class B registered share	0.80	0.28	0.52

The dividend will be paid out with the value date of April 28, 2025.



# Report of the statutory auditor

to the General Meeting of Bystronic AG, Zurich

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Bystronic AG (the Company), which comprise the income statement for the year ended 31 December 2024, the balance sheet as at 31 December 2024, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 106 to 107 and 114 to 119) comply with Swiss law and the Company's articles of incorporation.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Our audit approach

#### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 2'000'000
Benchmark applied	Total equity
Rationale for the materiality benchmark applied	We chose total equity as the benchmark because it is a relevant and generally accepted benchmark for materiality considerations relating to a holding company.

We agreed with the Audit Committee that we would report to them misstatements above CHF 200'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

#### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other

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matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

#### **Key audit matters**

We have determined that there are no key audit matters to communicate in our report.

#### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Board of Directors' responsibilities for the financial statements**

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

#### **Report on other legal and regulatory requirements**

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

2 Bystronic AG | Report of the statutory auditor to the General Meeting



PricewaterhouseCoopers AG

A handwritten signature in black ink, appearing to read 'B. Kovács-Vujević'.

Blaženka Kovács-Vujević  
Licensed audit expert  
Auditor in charge

A handwritten signature in blue ink, appearing to read 'T. Handschin'.

Tobias Handschin  
Licensed audit expert

Zürich, 24 February 2025

3 Bystronic AG | Report of the statutory auditor to the General Meeting

## Five-year summary

		2024	2023	2022	2021	2020
<b>Bystronic<sup>1</sup></b>						
Order intake	CHF m	625.4	794.0	1,009.5	1,175.5	777.4
Backlog	CHF m	239.2	252.9	413.0	435.2	206.8
Net sales	CHF m	648.3	930.1	1,015.9	939.4	801.3
EBITDA	CHF m	-58.2	75.4	69.9	88.5	60.1
Operating result (EBIT) adjusted <sup>2</sup>	CHF m	-47.4				
Operating result (EBIT)	CHF m	-84.0	54.4	48.1	70.1	42.0
Net operating assets	CHF m	240.1	291.0	288.0	218.9	231.4
<b>Discontinued operations</b>						
Net sales	CHF m				183.6	482.3
Operating result (EBIT)	CHF m				-88.8	37.7
Net operating assets	CHF m					276.4
<b>Consolidated income statement</b>						
Net sales	CHF m	648.3	930.1	1,015.9	1,122.9	1,283.5
Operating result (EBIT)	CHF m	-84.0	54.4	48.1	-18.7	79.7
Net result	CHF m	-67.6	41.9	36.6	-27.8	66.9
<b>Consolidated balance sheet</b>						
Current assets	CHF m	665.5	761.6	862.5	958.4	813.5
Non-current assets	CHF m	255.6	262.6	280.0	276.4	337.2
Short-term liabilities	CHF m	266.6	259.1	375.4	372.0	313.8
Long-term liabilities	CHF m	17.3	34.3	42.9	47.6	40.8
Shareholders' equity	CHF m	637.3	730.6	724.2	815.2	796.1
Total assets	CHF m	921.1	1,024.1	1,142.5	1,234.8	1,150.6
Shareholders' equity as % of total assets	%	69.2	71.3	63.4	66.0	69.2
<b>Employees</b>						
Average number of full-time equivalents	Number	3,268	3,573	3,679	4,051	4,711
Net sales per full-time equivalent	CHF 1,000	198.4	260.3	276.1	277.2	272.5
Personnel expenses per full-time equivalent	CHF 1,000	76.0	70.5	70.7	72.0	72.3
<b>Share information</b>						
Share capital	CHF m	4.1	4.1	4.1	4.1	4.1
Number of shares issued on 12/31						
Class A registered shares	Number	1,827,000	1,827,000	1,827,000	1,827,000	1,827,000
Class B registered shares	Number	1,215,000	1,215,000	1,215,000	1,215,000	1,215,000
Market prices of class A registered share						
High	CHF	494	770	1,332	1,370	1,176
Low	CHF	291	427	495	1,086	716
Year-end	CHF	310	477	641	1,282	1,088
Total dividend	CHF m	8.3 <sup>3</sup>	24.8	24.8	124.2	124.2

			2024	2023	2022	2021	2020
<b>Key indicators per share</b>							
Earnings	per class A registered share	CHF	-32.67	20.28	17.69	-13.81	31.46
	per class B registered share	CHF	-6.53	4.06	3.54	-2.76	6.29
Cash flow from operating activities	per class A registered share	CHF	6.79	25.91	-7.99	23.89	38.07
	per class B registered share	CHF	1.36	5.18	-1.60	4.78	7.61
Shareholders' equity	per class A registered share	CHF	308.18	353.21	350.18	394.05	384.28
	per class B registered share	CHF	61.64	70.64	70.04	78.81	76.86
Gross dividend	per class A registered share	CHF	4.00 <sup>3</sup>	12.00	12.00	60.00	60.00
	per class B registered share	CHF	0.80 <sup>3</sup>	2.40	2.40	12.00	12.00

<sup>1</sup> The continuing operations in the year 2020 and 2021 consist of Bystronic and the historical Conzzeta segment "Others"

<sup>2</sup> Before restructuring and impairment (note 1.3 in the financial report)

<sup>3</sup> As proposed by the Board of Directors

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