

Governance

At HUBER+SUHNER, we are committed to a visible culture of integrity, ethics and compliance. This chapter provides an overview of how we established the guiding principles through our group-wide compliance programme. It illustrates how we raise awareness for potential compliance issues and create a culture of transparency by encouraging internal and external stakeholders to report potential misconduct.

Business conduct

Our Code of responsible business conduct

Compliance at HUBER+SUHNER is about living the company's values and speaking up if we witness or suspect unethical behaviour or any non-compliance with the [Code of responsible business conduct](#). Published in six languages, our Code of responsible business conduct lays out important principles on how we manage our business in a responsible manner. It serves as the guiding document for every employee of the HUBER+SUHNER Group as well as for all stakeholders which enter into relationships with our organisation. For certain matters, specific guidelines with more detailed information and instructions have been issued. Aligned with the code's principles and obligations, HUBER+SUHNER has established a Group-wide compliance programme, which specifies our policies and guidelines, procedures, and actions within a defined process to help prevent risks and detect potential violations.

HUBER+SUHNER has a zero-tolerance policy towards corruption and bribery. This commitment is demonstrated through a strong compliance programme that fosters a culture of integrity and adherence to anti-bribery and anti-corruption laws and regulations.

In 2022, HUBER+SUHNER introduced a [Supplier Code of Conduct](#) that aligns with its commitment to responsible business practices. This code establishes a comprehensive framework for ethical and sustainable operations throughout its value chain, ensuring adherence to strong standards in environmental, social, and governance (ESG) criteria.

Compliance training for employees

On a yearly basis, one compliance focus topic is defined according to its relevance for an online compliance training. For office employees, topics like anti-bribery, conflict of interest, and non-competition are regularly addressed. Additionally, an online onboarding compliance training – developed specifically for HUBER+SUHNER – is available in seven languages and all employees working in office environments are asked to complete the interactive online course within the first 90 days of their employment with the company as part of their orientation training programme. Employees at our manufacturing facilities hold daily meetings with shift leaders, discussing compliance topics, where relevant. Of office and indirect production employees globally, 98 % completed the online compliance focus training on the prevention and detection of sexual harassment in 2024.

Table 16: Compliance focus training

Compliance focus topics	Year	Participation [%]
Data protection	2022	97 %
Human rights due diligence	2023	97 %
Sexual harassment	2024	98 %

Our grievance mechanism

In 2021, HUBER+SUHNER implemented an independent and secure whistleblowing platform provided by a third party. The [platform](#) offers all employees worldwide, including temporary staff, apprentices and trainees, an additional reporting channel to easily raise alleged violations or breaches of the Code of responsible business conduct by phone or in writing. The whistleblowing platform can be accessed around the clock. It is available in several languages, and reports can be submitted anonymously. The company has developed guidelines to encourage employees and external stakeholders to voice their concerns about suspected misconduct with respect to the Code of responsible business conduct.

In 2024, none of the reports submitted via our whistleblowing platform or any other reporting channels were substantiated as violations of the Code of responsible business conduct. Other reporting channels, include line managers, human resources representatives, compliance officers, or external service providers.

Our annual compliance report

The Group Compliance Officer oversees the annual compliance report, which is included in our risk report and was presented to the BOD in December. The report includes a summary of the information provided by the area compliance officers, the findings of the other reporting tools such as our internal and external grievance mechanisms, management reviews and internal quality audit reports.

Data privacy and cyber security

Safeguarding our customers' and employees' data as well as data, critical to our operations, is a key concern for HUBER+SUHNER. In line with our information security policy, we are taking decisive action to mitigate the risks of cyberattacks and proactively address potential threats. In addition to sensitising our employees through trainings and activities during the annual "Cybersecurity Awareness Month" in October, constant awareness monitoring allows us to understand our risk exposure and subsequently define follow-up actions where necessary. In the simulations we conducted in 2024, the click-through rate ranged from 0.5 % to 4 %, with an average of 1.17 %. This is significantly lower than the industry average of 8-9 % for untrained employees and approximately 3.4 % after one year of training.

Table 17: Reported cases of misconduct

Reports of non-compliance with the Code of responsible business conduct	Number
Reports of non-compliance	9
Substantiated reports of non-compliance	–
Non-substantiated reports of non-compliance	8
Reports still under investigation*	1

*Reports still under investigation as per 31 December 2024.