

# Governance

## G1 Governance

Topic	Relevant IRO	Key policies	Targets	Management focus
ESRS G1 Governance	Addressing corruption and bribery through prevention and detection measures including training	Code of Conduct Anti-Bribery and Anti-Corruption Policy Compliance system	>95% of employees globally participate in the annual compliance training	<ul style="list-style-type: none"> <li>Maintaining a workforce with a balanced mix of internal and external career paths</li> <li>Combating corruption and bribery</li> </ul>

## Policies

### ESRS 2 MDR-P; ESRS 2 GOV-1; S1-3; S1-8; G1-1

Our commitment to ethics is anchored in a comprehensive set of internal policies and processes that establish clear expectations and promote responsible business practices. These policies ensure compliance with all applicable laws and regulations while fostering a culture of integrity and accountability and include our [Code of Conduct](#), [Supplier Code of Conduct](#), Anti-Bribery and Anti-Corruption Policy, Compliance System, Fair Competition Policy, Data Governance Policy, Social and Human Resources Policy, Data Protection Policy and [SpeakUp Guidelines](#). All policies are implemented by means of a management system and accessible via our intranet and, when relevant, are shared externally through our website. Our commitment to ethical business conduct applies to all aspects of our operations, including internal processes and our interactions with customers and suppliers.

Our Group-wide compliance programme offers a structured framework to prevent compliance risks and detect potential violations. Key compliance areas relevant to the group are organised within our “Compliance House”. Designated compliance officers, alongside site management at the subsidiary level, regularly review the applicable rules for their specific compliance topics, ensuring alignment with our internal commitments and requirements. Each year, key compliance topics are summarised in a compliance report, which is incorporated into our risk report and presented to the BoD by the Group Compliance Officer.

HUBER+SUHNER requires all office employees to complete mandatory onboarding compliance training, tailored specifically for our organisation. Delivered through e-learning, this training provides a comprehensive introduction to the Code of Conduct and the compliance programme, highlighting key ethical principles and best practices. Upon completion, employees must pass an assessment to demonstrate their understanding.

To uphold our governance standards and ensure effective oversight, we maintain an [independent grievance mechanism](#) enabling early identification of and accountability for all forms of misconduct, including human rights and labour law violations and other breaches of ethical business practice. Implemented through a whistleblowing platform, it allows employees and external stakeholders to report concerns anonymously, safely and without fear of retaliation. The whistleblowing platform is accessible 24/7 and supports multiple languages. Upon receiving a report, and if it is deemed admissible, the Whistleblowing Steering Committee promptly initiates an investigation. The committee includes representatives from Legal, Human Resources, and Corporate Communications. All cases are addressed promptly, independently, and with objectivity. The committee provides feedback to the relevant managers, who are responsible for reviewing and approving the final case resolutions and any remediation measures. A monthly report is compiled to track all potential violations of the Code of Conduct. Relevant cases are reviewed during biannual compliance meetings and, when applicable, documented in the annual compliance report. For further information on our grievance mechanism refer to [S1-3](#).

## Targets

Each year, a key compliance topic is selected based on its relevance for a company-wide online training. The goal is to achieve a participation rate of over 95% among all office and indirect production employees. We exceeded our goal, achieving 98% participation among office and indirect production employees.

## Actions and resources

### ESRS 2 MDR-A; ESRS 2 GOV 1; G1-1; G1-3

HUBER+SUHNER has a zero-tolerance policy towards corruption and bribery. Our anti-bribery, anti-corruption, and compliance policies include clear procedures for the prevention, detection, and resolution of potential violations. The Whistleblowing Steering Committee is dedicated to promptly and thoroughly investigating all allegations of bribery or corruption.

The EGM oversees compliance with ethical business practices and the bribery and corruption risk system. As part of our ongoing commitment to mitigating corruption and bribery risks, sites are required to develop gift and hospitality guidelines, establish a gift register along with a registration and approval process. Our internal audit team verifies approvals, scrutinises transactions, and evaluates controls to identify unusual payments or potential conflicts of interest. They also investigate discrepancies and gather insights to uncover signs of corruption and bribery.

We have identified certain functions with elevated corruption risks. Sales activities are particularly vulnerable due to high transaction volumes and frequent interactions with government and public sector entities across multiple countries. Procurement processes also carry inherent risks given the scale and value of transactions. To mitigate these risks, both areas are governed by robust policies that ensure transparency, integrity, and regulatory compliance. Third-party sales agents are subject to strict controls and oversight. Additionally, mergers and acquisitions undergo enhanced due diligence to prevent acquiring corruption liabilities and to avoid conflicts of interest.

In 2025, we conducted a company-wide training on bribery and corruption, which included management and covered all risk functions. The Board did not undergo mandatory anti-corruption and anti-bribery training in 2025, as compliance expertise is a core requirement for its members.

Following the company-wide training on corruption and bribery conducted in 2025, which included at-risk functions, the focus remains on implementing regular, targeted trainings to address identified risks.

## Metrics

### ESRS 2 MDR-M; G1-4

**Incidents of corruption or bribery:** in 2025, HUBER+SUHNER reported no incidents, convictions, or fines related to violations of anti-corruption or anti-bribery laws, nor any breaches of related procedures and standards. Consequently, no actions such as dismissals or disciplinary measures were necessary.

**Table 17: Company-wide annual compliance training**

Compliance focus topics	Year	Participation [%]
Data protection	2022	97%
Human rights due diligence	2023	97%
Sexual harassment	2024	98%
Anti-bribery and Anti-corruption <sup>1)</sup>	2025	98%

1) Includes all functions identified as being at risk for bribery and corruption.

**Table 18: Reported cases of misconduct**

2025	
Reports of non-compliance with the CoC	Number
Total number of reports	24
Substantiated reports of non-compliance	2
Non-substantiated reports of non-compliance	21
Reports still under investigation <sup>1)</sup>	1

1) Reports still under investigation as per 31 December 2025.

## Methodologies and assumptions

The number of employees participating in the annual company-wide compliance training is derived from the training platform and calculated as the percentage of all office and indirect production employees.

Reports of non-compliance include all cases received through our grievance mechanism. These are categorised into substantiated and non-substantiated reports. Any reports still under investigation as of 31 December 2025 are classified as pending investigation.