

OCCUPATIONAL HEALTH AND SAFETY

How can Interroll contribute to a more sustainable future?

Interroll significantly contributes to promoting a sustainable future by thoroughly analyzing the impact of new products from the request phase, using digital resources and certified databases. A concrete example is the application developed in collaboration with the local university, dedicated to the in-depth analysis of the constructive and productive parameters of molds. This tool enables our customers to assess not only the environmental footprint of production but also the total cost of ownership, putting us in a privileged position by enabling us to offer a sustainable solution.

And specifically your department/area of responsibility?

Aware of the high energy consumption in our production process, we adopt targeted strategies to mitigate its environmental impact. Initial projects, supported by the Swiss Confederation with the involvement of accredited consultants, have yielded tangible results. Among the various benefits, we can highlight the recovery of heat from production machines to heat offices, the use of groundwater for the air conditioning system, and the installation of a photovoltaic system covering 25% of our energy needs. Equally significant is employee training, raising awareness about identifying wasted energy and implementing solutions to reduce it. This combination of technical approaches and individual awareness and attention guides our path toward a sustainable production process.

What measures and programs are in place to prioritize the health and safety of employees, contractors and other stakeholders within our operations?

We are aware that the health and safety of our personnel are top priorities for our company, driving us to obtain ISO 45001 certification. The commitment emphasizes our daily dedication to the continuous assessment of hazards, with particular attention to those that could involve external companies operating within our facility, in order to ensure a safe environment for everyone. Regular audits and inspections confirm our commitment in this regard. We promote a safety culture by appointing a safety representative in each department, who raises awareness of the importance of adhering to the procedures and standards defined by the safety team. This commitment has resulted in a change in employees' mindsets, including outside the workplace, and has had a positive influence on their personal lives.

Matteo Tonolla, Head of Production, Interroll SA

Our management approach to the occupational health and safety material topic helps work toward achieving the following United Nations Sustainable Development Goals (SDGs):



SDG 3.8: Achieve universal health coverage

Interroll's in-house health management system enables it to offer general health coverage by promoting employee health and well-being. This is done locally and individually, for example by providing specific health programs, regular health checks, ergonomic workstations and contributions to promoting a healthy lifestyle.

SDG 8.7: End modern slavery, human trafficking and child labor

SDG 8.8: Protect labor rights and promote safe and secure working environments

Through occupational health and safety, we help to ensure that working conditions at our own sites are decent and that no forms of forced labor, human trafficking or child labor occur. By implementing strict labor and social standards and providing training for employees and managers, health management is helping to increasingly combat these negative aspects in the supply chain as well. As a member of the UN Global Compact, we are also committed to compliance with international labor standards.

CONTEXT

GRI 3-3

Safe, healthy workplaces which promote the well-being of our employees are a central concern to us as an employer. Concern for the health of our employees stems from both our ethical principles as a company and our economic interest in maintaining an efficient and committed workforce. Our aim is to prevent accidents and, where necessary, to actively manage absences as measurable targets. This includes both our own employees and also all those who work on our behalf.

The measures we have taken so far to prevent accidents and improve health in the workplace have not yet produced a satisfactory result. As in 2022, there were no fatal accidents in the 2023 reporting year. However, the number of accidents at work resulting in more than one day's absence from work rose slightly by 5.

CONCEPT AND GOALS

GRI 3-3
GRI 2-25
GRI 403-1

964 CO

One of the top priorities of our Group-wide sustainability strategy is to proactively manage health and workplace safety risks so that we can prevent work accidents, injuries and occupational absences, and minimize negative impacts. Because people are always at the heart of what Interroll does, health and occupational safety is one of three ESG focus areas in 2024.

Creating optimal and safe working conditions is of the utmost importance to us and a key management objective. It underpins our attractiveness as an employer and therefore our operational performance, our ability to maintain complex production processes and offer high-quality, flexible customer solutions.

A Group-wide corporate policy on "Occupational health and safety," updated in 2023, is in place to provide qualitative and quantitative goals to actively shape our management approach, and to ensure measurable and management-related key performance indicators (KPIs). This applies to production employees as well as to administrative staff – regardless of their contractual basis. In this way, we promote the health and well-being of all employees.

We are also committed to creating and maintaining the highest occupational health and safety standards at all of our locations around the world. We intend to introduce a certified management system for occupational health and safety in accordance with ISO 45001 at every company unit by 2030. This is linked to measures for the general or specific promotion of health and safety aspects at every workplace. This also includes assessing every workplace for health and safety risks.

Governance and compliance

GRI 2-9

The Board of Directors and Group Management are also responsible for considering and implementing the requirements of the material topic “Occupational health and safety” in the overall corporate strategy. They ensure that the responsibilities for setting goals, delivering resources, taking action and conducting reviews are clearly defined. The Board of Directors receives regular information on “occupational health and safety” and an assessment of the associated risks from Group Management. The Board of Directors thereby ensures that it possesses the requisite knowledge to evaluate these aspects.

Within Interroll’s organizational structure, the Chief Operations Officer (COO) is responsible at the overall Group level for occupational health and safety.

It is the CFO’s responsibility to assess and report on risks within the “Occupational health and safety” topic as part of the annual ESG risk inventory. The Board of Directors submits these reports concerning employee matters in accordance with Article 964b CO to the annual general meeting for approval (see page 132).

Responsibility for operational implementation and performance is delegated to the management teams of the legal entities.

We will be developing specific implementation plans for each Interroll site to achieve the goals based on their individual situation.

OPPORTUNITIES AND RISKS OF OCCUPATIONAL HEALTH AND SAFETY

GRI 3-3
GRI 2-25
GRI 403-2

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Internationally, occupational safety is one of the key decision points when selecting an industrial site. Excellent occupational health and safety management strengthens and thus protects our reputation as an employer on the labor market for specialists and executives, which is currently highly competitive.

All occupational health and safety-related ESG risks identified in the initial inventory and assessment were categorized as “medium.”

ESG risk category “medium”

- Accidents and absences due to failure to comply with local safety requirements;
- Reputational risks caused by failing to live up to our responsibility as a company in the event of significant, consequential incidents; and
- Impacts on ESG ratings and investor reactions.

As we describe below, while the corresponding management performance at Interroll is on a firm footing, the risks were nevertheless classified as medium in light of the absolute importance of this aspect. One severe work accident at a location in the USA in 2023 resulted in the identification of “occupational health and safety” as one of the three focal points throughout the Group in 2024.

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Targets	KPIs	Unit	2023	2022	Date
No severe accidents	Number of severe occupational accidents	Number	1	0	Annually
LTI rate zero	LTIR (occupational accidents with >=1 day lost per 1 million hours worked)	Figure	9.0	7.9	Annually
Sickness rate below 4%	Sickness rate	%	3.4	3.5	Annually
All workplaces assessed for occupational health and safety risks	Percentage of workplaces assessed for occupational health and safety risks	%	n/a	n/a	2025
All entities ISO 45001 certified	Number of entities	Number	2	1	2030

STATUS, MEASURES AND RESULTS

GRI 403-8 Occupational health and safety is an element of our ESG management system. Depending on the unit and location, the characteristics differ but strict regulatory requirements apply. For our unit in Spain and our Swiss Center of Excellence in Sant’Antonino, an occupational health and safety management system in accordance with ISO 45001 has been implemented and certified.

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GRI 403-3 We focus on occupational safety at every workplace and follow up on any potential for improvements we identify. In Germany, our specialized committees discuss the efficiency and effectiveness of existing measures, any necessary statutory adjustments, and the findings of regular workplace inspections together with HR management, employee representatives, our internal safety officers/coordinators and our service providers, and initiate further steps as required. In 2023, we began to train up our own employees at three German locations as occupational safety experts. One of these people will complete their training in 2024, and the other two in 2025.

GRI 403-4

GRI 403-9 Throughout the Group, a total of 40 occupational accidents resulting in more than one day of lost work were reported in 2023 (2022: 34). The Lost Time Injury Rate (LTIR) amounted to 9.0 (based on 1,000,000 hours worked; 2022: 7.9).

A total of 436 days were lost to occupational accidents in 2023 (2022: 556). There were once again no fatal occupational accidents. The Lost Time Injury Severity Rate (LTIR Severity) for work accidents was 10.9 (2022: 16.4).

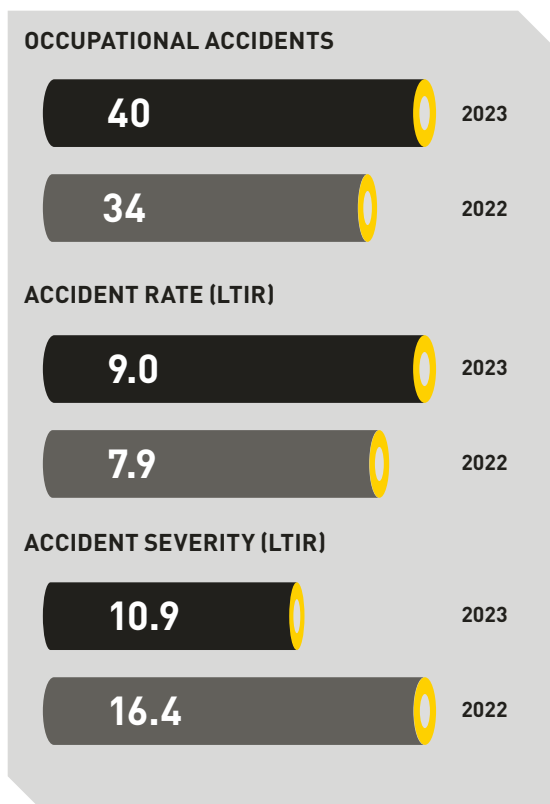
Occupational safety at Interroll Germany

GRI 403-9 The German locations employed a total of 1,027 people, or 42.8 percent of our staff worldwide in 2023 (2022: 1,072 employees, or 44.0%). In Germany, a total of 28 occupational accidents resulting in more than one day of lost work were reported (2022: 18). With a total of 1,816,320 hours worked, the Lost Time Injury Rate (LTIR) amounted to 15.4 (based on 1,000,000 hours worked; 2022: 9.4).

ACCIDENT RATE (LTIR) GERMANY



The figures at Interroll Germany are therefore well below the industry average of 20.41 (based on 1,000,000 hours) reported for 2022* by Berufsgenossenschaft Holz und Metall, Germany’s statutory accident insurer for wood and metal processing companies.



*Source: <https://www.bghm.de/bghm/amtliche-informationen/kennzahlen>
The current statistics for the insurer were available as of the copy deadline for 2022.

Occupational safety at Interroll USA

GRI 403-9

The American locations employed a total of 411 people, or 17.1 percent of our staff worldwide in 2023 (2022: 430 employees, or 17.6%). In the USA, a total of 4 occupational accidents resulting in more than one day of lost work were reported (2022: 4). With a total of 929,280 hours worked, the Lost Time Injury Rate (LTIR) amounted to 4.3 (based on 1,000,000 hours worked; 2022: 5.2).

One severe work accident in 2023 at the site in Hiram gave cause to examine local safety measures in closer detail. This resulted in an action plan which was coordinated with the Group Management and has already been implemented. As the injured person was a temporary worker, the accident was included in the calculation of the Lost Time Injury Rate (LTIR), but not in the statistics on the severity of the accident as the temporary worker was replaced immediately. We want to improve our reporting system in future so that the lost time of temporary workers can also be recorded.

Occupational safety at Interroll China

GRI 403-9

The Chinese locations employed a total of 218 people, or 9.1 percent of our staff worldwide in 2023 (2022: 218 employees, or 8.9%). In China, a total of 2 occupational accidents resulting in more than one day of lost work were reported (2022: 3). With a total of 392,480 hours worked, the Lost Time Injury Rate (LTIR) amounted to 5.1 (based on 1,000,000 hours worked; 2022: 7.9).

Measures to promote occupational safety

GRI 403-6

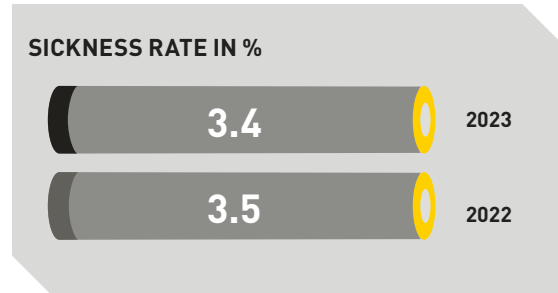
In addition, the following occupational safety-related matters are addressed: disaster prevention, incident and accident management, fire protection, handling of chemicals and hazardous substances, machine and plant safety, personal protective equipment, workplace ergonomics, first aid measures and medical care in emergencies. On-site risk assessments for work processes and workplaces are carried out by local management. Appropriate measures are put in place to minimize risks.

GRI 403-4
GRI 403-5

Managers are expected to lead by example. They assume responsibility for occupational health and safety. We involve our employees in decisions relating to occupational health and safety. Through regular updates and training, we promote the skills and awareness of our employees and actively encourage them to help create safe working conditions throughout the company. In 2023, 1,854 employees throughout the Group received occupational health and safety training (2022: 1,945). This corresponds to 77.3 percent (2022: 79.8%).

Sickness rate

With a total of 556,380 working days (2022: 539,660) Group-wide, there were 18,790 (2022: 18,756) days of absence due to illness. The sickness rate was thus 3.4 (2022: 3.5) percent.



GRI 403-10

We employ technical and ergonomic measures to prevent occupational illness. The number of confirmed occupational illnesses and associated days lost is not currently recorded, as no particular problem has been identified to date.

GRI 403-6

Preventative action of different types is used throughout the Group. Wermelskirchen (Germany), for instance, has a detailed occupational health management system, and throughout Germany return-to-work initiatives support employees after extended periods of sick leave. In Thailand, employees take part in weekly jogging sessions to keep fit and spend time together.

GRI 403-7

For our partners and service providers, the same safety standards apply as for our employees. For instance, our Mosbach (Germany) site has a three-stage safety briefing system. Among our own employees, we differentiate between production and administrative staff. There is also a dedicated safety briefing for third-party staff in production operations, including provision of safety footwear and eyewear, ear protection and high-visibility vests.

GRI 3-3
GRI 403-1

Implementing ISO 45001 at Sant'Antonino (CH)

In keeping with the Group's goal of improving occupational health and safety, the process for implementing ISO 45001 at the Sant' Antonino location was kicked off in 2022 with the support of an external advisor. The central strategy was to establish and enhance safety-specific expertise internally and in particular to integrate an active safety culture into the day-to-day operations.

In a first step, a five-person team, including the managing director, received training from a Swiss safety officer over three months. An implementation roadmap was developed, to be concluded in 2024 with external certification. The process advanced at a rapid pace, meaning that the implemented and certified ISO 45001 occupational safety management system was already in place by April 2023.

In spring 2022, the strategy was developed, followed by a six-month risk analysis in which every relevant process was described and analyzed, with recommendations for improvements noted. This culminated in 35 process descriptions to set out a specific procedure for avoiding risks. A November 2022 pre-audit already produced results that were so encouraging that the external advisor brought the certification audit forward to spring 2023.

Corrective measures were developed based on the SUVA checklist. The possibility of ad hoc, dialog-based safety checks during operation also represents a major step forward in the process. Brief five-minute mini-audits covering specific, safety-relevant situations can be carried out using smartphones. This has quickly resulted in an active process for making suggestions for improvement. Another indicator is the number of risk reports prepared. While the annual number had previously been 10 to 20 reports per year, this figure had already risen to 70 by 2022. This is not an indication of increasing risks in essentially the same working environment, but of increased awareness, which will hopefully also systematically help to prevent accidents in the future.

It is important to note that the existing safety culture on site has a decisive influence not only on implementation, but also on success in day-to-day operations. One example of this is the extent to which people's willingness to wear protective goggles and footwear whenever appropriate differs.