

Sustainability report

CPH Group AG aligns all its business activities to the criteria of economic, environmental and social sustainability. In doing so, it puts a particular emphasis on adopting and maintaining a strategic approach and on transparent sustainability reporting.

1. General information

Foundations for the compilation of this report

CPH Group AG strives to conduct all its business responsibly in ethical, legal, environmental and social terms. In accordance with these objectives, sustainability has long been a key element in the company's more than 200-year success story and a prerequisite for its continued long-term value-adding endeavours. To cement such aspirations institutionally, too, the shareholders of CPH Group AG have also enshrined the principles of such sustainable long-term value creation in the company's Articles of Incorporation.

In the wake of the successful spinning-off of the former Paper Division and the real-estate assets at its Perlen operating site into the new Perlen Industrieholding AG, the Board of Directors and the Group Executive Board of CPH Group AG have revised and updated the company's sustainability strategy:

- These actions have seen clear ambitions developed for the two business divisions of Chemistry (Zeochem) and Packaging (Perlen Packaging) in all major sustainability areas.
- These ambitions provide the overarching foundation for all the associated goals of CPH Group AG and each of its two divisions.
- To achieve these goals, concrete actions have been formulated which can be taken at the Group level, at the Zeochem or Perlen Packaging level or at the level of each operating site.
- The corresponding progress towards such goals is measured regularly using quantity and/or quality metrics.

When evaluating key sustainability issues and developing the corresponding sustainability strategy, the company pays due regard not only to its own business activities but also to the upstream and downstream elements in the value chain. On the environmental sustainability front, a differentiated perspective is also beneficial for each business division, to ensure an adequate appreciation of the ecological interactions of each division's value chain. On social and governance issues, by contrast, Zeochem and Perlen Packaging are broadly similar in sustainability terms.

As part of this further development of its sustainability strategy, CPH Group AG has resolved to newly align the structure and presentation

of its ESG reporting and the corresponding key metrics to the European Sustainability Reporting Standards (ESRS), which prescribe what information a company must divulge about its impact, risks and opportunities in sustainability terms. In the present sustainability report, not all the data have yet been brought into full accordance with ESRS requirements; and, as a result, the report as a whole is not yet ESRS-compliant.

The present sustainability report also complies with the latest requirements of the relevant Swiss authorities as specified in Article 964a to 964c of the Swiss Code of Obligations and in the associated Ordinance on Reporting on Climate-Related Issues. In particular, CPH Group AG fulfils the obligation under the Code's Article 964b, Paragraph 3 to report on climate-related environmental issues, with its first-time use of the European ESRS E1 Climate Change sustainability reporting standard (see also Section 2 of this report from Page 27 onwards).

This sustainability report has been compiled on a consolidated basis for the entire CPH Group AG using the same scope of consolidation as is used in the company's financial reporting. In doing so, however, the now-spun-off former Paper Division has not been included for the first half of 2024 and for the entire prior year, because omitting such content makes the resulting report both more forward-looking and more insightful in year-on-year comparison terms.

The scope of consolidation thus extends to:

- the Group: CPH Group AG, Root, Switzerland
- the Chemistry Division: Zeochem AG, Rüti ZH, Switzerland; Zeochem LLC, Louisville, USA; Zeochem d.o.o., Zvornik, Bosnia and Herzegovina; Jiangsu Zeochem Technology Co. Ltd., Lianyungang, China; Zeochem Pte. Ltd., Singapore; Sorbchem India Pvt. Ltd., Vadodara, India
- the Packaging Division: Perlen Packaging AG, Root, Switzerland; Perlen Packaging LLC, Whippany, USA; Perlen Packaging GmbH, Müllheim, Germany; Perlen Packaging (Suzhou) Co., Ltd., Suzhou, China; Perlen Packaging Anápolis Indústria e Comércio Ltda., Anápolis, Brazil.

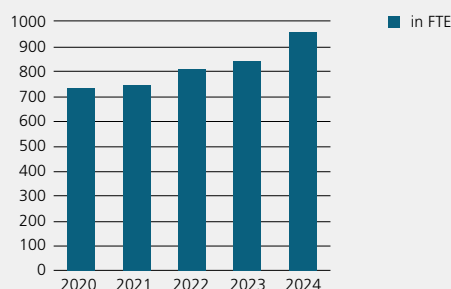
The Scope 1, 2 and 3 greenhouse gas (GHG) emission performance indicators for 2024 were subjected to an independent audit. The corresponding auditors' report will be found from Page 44 onwards.

Governance in sustainability terms

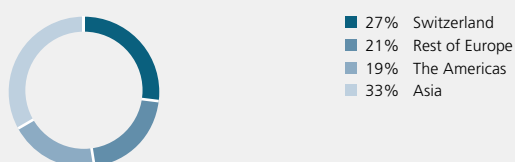
The role of the administrative, management and supervisory bodies

Supreme responsibility for sustainability at CPH Group AG, and thus also for the content of this sustainability report, rests with the Board of Directors, which approved the present report for the 2024 reporting year on 18 February 2025 and recommends its further approval by the shareholders at the Annual General Meeting on 18 March 2025.

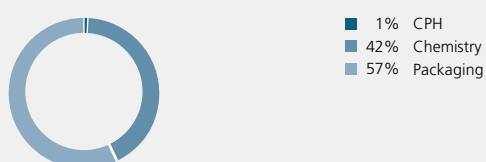
Total workforce numbers



Workforce numbers by region



Workforce numbers by division



The Board of Directors' permanent Finance & Auditing Committee has been additionally responsible for advising the full Board on sustainability and climate strategy issues since the end of 2023. To reflect this additional duty, the committee has been renamed the Finance, Auditing & Sustainability Committee. Further details of the committee's present composition and of the role of the full Board of Directors will be found in the separate corporate governance report from Page 46 onwards.

To ensure that due regard is consistently paid to sustainability considerations, CPH Group AG established a governance structure in 2024 specifying the corresponding responsibilities, information flows and reporting obligations for sustainability issues:

- Overarching responsibility for ESG strategy and sustainability issues rests with the CPH Group AG Board of Directors, which is advised thereon by its Finance, Auditing & Sustainability Committee.
- The implementation of the company's sustainability strategy is defined, steered and overseen in operational terms by the CPH Group AG Group Executive Board, on which the Chief Financial Officer serves as the Delegate for ESG Affairs.
- The Delegate for ESG Affairs serves as the link between the Group Executive Board and the broader ESG Team and also between the Group Executive Board and the Board of Directors' Finance, Auditing & Sustainability Committee (and the full Board of Directors).
- The ESG Team is responsible for implementing ESG strategy and achieving the corresponding objectives. The ESG Team consists of the Delegate for ESG Affairs, representatives from Zeochem and Perlen Packaging, a representative from Human Resources and an ESG coordinator at the Group level. The ESG Team is further supported by various issue- or business-specific working groups.

Information and aspects of sustainability with which the administrative, management and supervisory bodies concern themselves

The Board of Directors and the Group Executive Board of CPH Group AG are regularly informed at their meetings about sustainability matters. The topic of sustainability was an agenda item at five meetings of the Board of Directors, two meetings of its Finance, Auditing & Sustainability Committee, three meetings of its Personnel & Compensation Committee (on Own Workforce issues) and ten meetings of the Group Executive Board in 2024. The topics discussed included updating the double materiality assessment, further developing sustainability strategy and the ambitions, objectives, actions and key metrics devised therein, assigning duties and responsibilities in the sustainability field, determining and assessing material climate-related impacts, risks and opportunities and compiling the greenhouse gas emissions assessment and the sustainability reporting. The bodies concerned were also briefed and informed on trends and developments in sustainability management.

Sustainability performance integrated into remuneration systems

The remuneration policies for the members of the CPH Group AG Board of Directors and the Group Executive Board are presented in the remuneration report from Page 57 onwards. While the remuneration of the Board of Directors does not have any variable compensation component, the remuneration system for the members of the Group Executive Board does. 40 % of this variable compensation is awarded based on the achievement of predefined performance targets in the fields of customers & market, innovation, processes, leadership & personnel and sustainability.

Declaration of duty of care

CPH Group AG applies the following core elements of its duty of care: Sustainability considerations are addressed in the company's sustainability strategy with due regard to the material impact, risks and opportunities thereof and their interplay with its corporate strategy and business model. In the process, the handling of the various sustainability issues pays appropriate regard to the interested parties involved (such as customers, employees and society). In line with this sustainability strategy, action plans were defined in the 2024 business year whose implementation is regularly tracked and updated. In addition, CPH Group AG ensures transparent internal and external reporting on its sustainability practices and performance and appropriate governance.

Risk management and internal monitoring of sustainability reporting

CPH Group AG conducts its regular clarifications of possible material sustainability-related impacts and risks partly within its broader risk management. This is described in detail – including the material risks involved – in the corporate governance report from Page 46 onwards. The risks concerned are viewed and evaluated from the perspective of CPH Group AG with a focus on their possible impact on the company's business. The associated risk identification and the subsequent action planning are conducted in a two-step process at the divisional level and then aggregated for the Group as a whole.

As part of its further development of its sustainability strategy, scenarios were devised for the company's climate risks and opportunities for the first time in 2024. These are presented from Page 29 onwards. The corresponding findings were channelled into the risk management process. CPH Group AG is steadily further improving its risk management process and updating its risk inventory in accordance with the relevance to business of the risks concerned.

For the compilation of this sustainability report, CPH Group AG collaborated with a specialist consultancy company which worked with Zeochem and Perlen Packaging to obtain, calculate and verify data from various operating sites. These data are constantly checked by the relevant Zeochem and Perlen Packaging ESG and HR officers. A

Nationalities of employees

44

(prior year: 46)

Personnel employed at locations outside Switzerland in %

73

(prior year: 70)

Proportion of women in the workforce in %

25

(prior year: 23)

Engagement Index in %

76

(previous survey: 75)

CIP suggestions submitted

680

(prior year: 720)

Apprentices in training

29

(prior year: 25)

structured sign-off process has also been established, while a consistent principle of dual control is maintained for the internal control system.

For the topic areas of the environment, human rights violations, social issues, corruption and employee affairs, no material risks have been identified based on present evaluations which would require immediate mitigation measures.

Strategy

Strategy, business model and value chain

CPH Group AG aligns its business activities to the criteria of economic, ecological and social sustainability. The corporate strategy of CPH Group AG is presented at length in the 'Strategy and markets' chapter of this annual report, which will be found from Page 18 onwards.

The value chains of Zeochem and Perlen Packaging include both an upstream and a downstream component. The upstream component consists in particular of raw materials which are extracted, processed, procured, packaged and transported to the companies' manufacturing facilities. The downstream component consists in particular in the delivery, further processing, utilization, recycling and later disposal of the products sold.

Stakeholders' interests and perspectives

To optimally understand and appreciate the interests and perspectives of its various stakeholders, CPH Group AG cultivates dialogue with investors, the media, the political world, society and further stakeholder groups. Zeochem and Perlen Packaging also maintain continuous exchanges with their customers and their suppliers. The findings and conclusions deriving from these contacts and discussions are channelled into the companies' product portfolios, business processes and overall strategic development.

The companies' employees are also actively involved, and are kept regularly informed about business trends and other relevant developments. Their proactive involvement through the in-house Continuous Improvement Process (CIP) is greatly appreciated, and results every year in valuable improvements and savings not only in costs but also in the resources and materials used.

The sustainability governance which was established in 2024 (see Page 24) calls explicitly for the regular notification of the CPH Group AG Board of Directors and Group Executive Board of the views and viewpoints of the company's stakeholders on any issues which may be of concern to them, including sustainability considerations. In adopting it, the company is taking a further step in fulfilling its duty of care towards all stakeholders.

**Management of impacts, risks and opportunities
(double materiality assessments)**

Description of the procedures to determine and assess material impacts, risks and opportunities

The identification of material sustainability issues is based on the principle of double materiality, under which both positive and negative impacts on the environment and society and the risks and opportunities these present to the business success of CPH Group AG are duly considered at the consolidated level. In the corresponding assessments, appropriate regard is paid to particular geographical and business-specific considerations. By maintaining regular exchanges with its various internal and external stakeholders such as employees, customers, suppliers, investors and authorities, CPH Group AG also ensures that adequate regard is paid to their interests, too.

Double materiality assessments were first conducted at CPH Group AG in the 2023 business year, by an interdivisional team supported by a specialist consultancy practice, and were approved by both the Group Executive Board and the Board of Directors. To provide a deeper appreciation of the issues involved, a scenario analysis was also conducted in 2024 of the climate-related aspects of the sustainability matters concerned (i.e. physical risks, interim risks and climate-related opportunities). For further details see Page 29.

Topics covered by the company's sustainability reporting

Below is an overview of the various sustainability topics with their materiality for CPH Group AG. The overview is based on the first-ever identification of material sustainability topics in 2023, and was modified in 2024 following the spinning-off of the former Paper Division:

Following the successful spin-off of the former Paper Division, the topic area of 'Water and marine resources' was no longer considered material to CPH Group AG for the 2024 business year. This is because the manufacture of the products of the company's remaining Chemistry and Packaging divisions requires only small volumes of water (see also Page 35).

Further sustainability topics which are not considered material to CPH Group AG are approached and handled as and where required. In particular, the company will not tolerate any form of human rights violation such as human trafficking or forced or child labour either within its own workforce or among the workers elsewhere within its value chain.

2. Climate change

Strategy

Transition plan for climate change mitigation

CPH Group AG has the ambition to decarbonize its production and reduce its emissions to net-zero throughout the value chain while remaining competitive in its business segments. Zeochem and Perlen Packaging have been taking concrete actions to achieve this ambition for several years now. In China, for instance, solar collectors on a new Zeochem office building are reducing bought-in energy needs. And at Perlen Packaging's Müllheim site in Germany, under the operation's ISO 50001 energy management, greenhouse gas emissions are reduced through the use of green electricity while energy efficiency is enhanced through the use of waste heat from the facility's ventilation systems.



Carbon dioxide emissions in thousands of tonnes of CO₂e

14

(prior year: 12)
Scope 1

30

(prior year: 28)
Scope 2

521

(prior year: 527)
Scope 3

Proportion of waste utilized in %

87

(prior year: 91)

With a view to intensifying and bringing a more systematic approach to the company's decarbonization endeavours, strategic climate targets were developed in 2024 together with associated concrete actions and timelines for the same. These should impact positively on the company's climate ambitions.

The company does not presently possess an adequate database to identify and quantify the corresponding decarbonization levers. The database available was expanded in 2024, however, through the compilation of a comprehensive greenhouse gas emissions assessment (Scope 3 included) (see Pages 30 to 33). The company does not yet have a transition plan for climate change mitigation as described in ESRS E1 (Climate Change). But it intends to create and maintain one in the medium term.

Material impacts, risks and opportunities and their interaction with strategy and business model

All the climate-related risks and opportunities evaluated by and deemed relevant to CPH Group AG are climate-related transition risks, i.e. risks that may arise in connection with the transition to a low-emissions economy.

CPH Group AG conducted an analysis of its climate-related risks and opportunities in 2024. Based on present estimates, the degree of the impacts determined is low. According to this assessment, the business model and strategy of CPH Group AG are resilient to the climate-related physical and transition risks identified. In view of this, the business model and strategy should be able to withstand the future conditions which are outlined in the scenarios described below. The company further ensures that its assessments of its climate-related risks and opportunities are regularly updated by integrating the corresponding analyses into its annual risk management process.

Impact, risk and opportunity management

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

CPH Group AG was assisted by a specialist consultancy in 2024 to identify its climate-related risks and opportunities in accordance with the work of the Task Force on Climate-related Financial Disclosures (TCFD). These actions considered both physical risks (climate-related risks both chronic and acute in the areas of temperature, wind, water and solid matter) and transition risks and opportunities of various kinds (political, legal, technological, market-related and image-related) and their relevance to the company, with due regard to its business activities and its value chain.

To determine the overall risk exposure of CPH Group AG and to prioritize the risks and opportunities concerned, an evaluation was conducted based on two criteria: financial impact and likelihood of occurrence. Risks and opportunities are classified as relevant if, under a qualitative

evaluation, they are considered to have both a high likelihood of occurrence and a substantial financial impact.

For the evaluation of the most significant climate-related risks and opportunities, three time horizons were defined: short-term (less than 5 years), medium-term (between 5 and 15 years) and long-term (more than 15 years). In addition, the following scenarios were used:

- The Net Zero Emissions by 2050 Scenario (NZE Scenario), which is based on expected global warming of less than 1.5°C (~1.4°C). The NZE Scenario is defined as an emissions pathway which is consistent with limiting the global temperature rise by 2100 to 1.5°C with no or limited overshoot (with at least a 50% probability).
- The Stated Policies Scenario (STEPS), which is based on expected global warming of more than 1.5°C (~2.4°C). STEPS is defined as an emissions pathway which reflects the current policy landscape, and which is founded on sector- and country-specific evaluations of energy policy actions both existing and planned.

The likelihood of occurrence and the financial impact of the most significant climate-related risks and opportunities, with due regard to the time horizons defined and the scenarios described above, were evaluated in accordance with CPH Group AG's risk management principles.

Policies related to climate change mitigation and adaptation

As mentioned above, CPH Group AG has the ambition to decarbonize its production and reduce its emissions to net-zero throughout the value chain while remaining competitive in its business segments. Zeochem and Perlen Packaging have already identified and taken various actions to these ends over the past few years. But to pursue this ambition more systematically in future, both companies developed strategic climate targets in the fields of climate change mitigation, climate change adaptation, energy efficiency and renewable energy deployment in 2024.

Corresponding actions were then derived from these targets, with associated time horizons. The first of these include identifying impact paths, Perlen Packaging's participation in the Science Based Targets Initiative (SBTi) with its associated commitments, an evaluation by the Ecovadis sustainability ratings agency, integrating sustainability considerations into employees' personal annual goals, raising the proportion of energy obtained from renewable sources, enhancing energy efficiency and developing products with a smaller carbon footprint and thus improved environmental credentials.

To ensure a systematic management of the above, the climate-related risks and opportunities identified and the associated action plans were also assimilated into the broader risk management process in the course of 2024. Appropriate quantitative and qualitative metrics were also defined for progress tracking purposes.

Actions and resources in relation to climate change policies

Zeochem and Perlen Packaging both planned and took actions in 2024 to expand the management of the relevant climate-related risks and opportunities. These initially include analyzing impact pathways. Corresponding actions to reduce greenhouse gas emissions should be taken from the 2025 business year onwards, with the findings obtained duly channelled into the CPH Group AG risk management process. Plans are also being drawn up to add ESG-related goals to employees' personal annual goals.

One action which is being taken at Zeochem and Perlen Packaging towards the goal of decarbonizing production and reducing emissions to net-zero throughout the value chain while remaining competitive is the comprehensive accounting and reporting of the companies' greenhouse gas emissions (Scope 3 included). If a transition plan is to be devised in the medium term, transparency must first be established throughout the value chain, to identify the decarbonization levers and to monitor the effectiveness of the individual actions taken.

The actions being taken to reduce greenhouse gas emissions and improve greenhouse gas efficiency include efforts to raise both energy efficiency and the proportion of energy obtained from renewable sources.

To provide a sound foundation for the improvements sought, Perlen Packaging joined the Science Based Targets Initiative (SBTi) at the end of 2024. The SBTi was established in 2015 to help companies determine their emissions reduction targets on the basis of scientific knowledge. The specification of SBTi actions and the definition of an SBTi-compatible emissions reduction pathway in impact, feasibility, cost and timeframe terms should be completed by 2026 and incorporated into Perlen Packaging's sustainability objectives.

Perlen Packaging sees potential here in ensuring that its end-products make more efficient use of resources, in substituting certain high-emission primary and intermediate products and in making further investments in consumption-optimized manufacturing technologies.

In concrete terms, the company has been offering its customers the option of obtaining PVC mono films with a substantially reduced carbon footprint since 2024, in the form of its PERLALUX Mono DeCarb film. This is achieved by replacing fossil raw materials sources with circular and biocircular alternatives and by using renewable energies in the manufacturing process. As a result, PERLALUX Mono DeCarb films permit reductions of up to 80% in the carbon dioxide emissions generated by their raw materials.

Metrics and targets

Targets related to climate change mitigation and adaptation

CPH Group AG does not yet have a transition plan for climate change mitigation, and thus has not yet set concrete targets for reducing its greenhouse gas emissions. The first concrete strategic goals have been devised, however: these were presented in the previous section, in connection with the actions resolved.

Energy consumption and mix

CPH Group AG is active as a manufacturing company solely in a high-climate-impact sector (ESRS classification: Sector C – Manufacturing). The company actively invests in plant and projects to make its own energy consumption more efficient. Its use of energy is constantly measured and monitored accordingly. This energy consumption has been used as the basis for calculating the greenhouse gas emissions in the relevant categories (Scope 2 and Scope 3, Category 3 ‘Fuel- and energy-related activities’).

Energy input in MWh	2024	2023
Electricity, renewable	19 081	19 962
Heat, renewable	7 561	10 032
Total from renewable sources	26 642	29 994
Electricity, nuclear	7 780	8 383
Electricity, fossil ¹	31 433	28 814
Heat, fossil	18 478	19 898
Natural gas	72 289	64 880
Crude oil and petroleum products	1 045	704
Total from fossil sources	123 245	114 296
Total energy input	157 667	152 673
Share of renewable energy	16.9 %	19.6 %
Share of nuclear sources	4.9 %	5.5 %
Share of fossil fuels	78.2 %	74.9 %
Energy intensity (MWh per million CHF net sales)	488	422

¹ including electricity without certificate of origin

CPH Group AG’s energy intensity increased in 2024. The share of renewable energy in all energy used was below its prior-year level, while the share of fossil fuels was up on 2023. These developments are attributable to the fact that less renewable heat was available and that more electricity and natural gas were used in 2024 as a result of the changed product mix.

Gross Scopes 1, 2, 3 and total greenhouse gas emissions

In view of its need to create value in a sustainable manner, CPH Group AG has taken proactive steps to understand and to reduce its impact on the climate. To these ends, a greenhouse gas emissions assessment was compiled.

Methodology used

The greenhouse gas emissions were determined in accordance with the guidelines of the Greenhouse Gas Protocol’s Corporate and Corporate Value Chain (Scope 3) accounting and reporting standards. The resulting Scope 1–3 greenhouse gas emission performance indicators for 2024 were independently audited (see the corresponding auditors’ report from Page 44 onwards).

In organizational terms, CPH Group AG consists of the Zeochem and Perlen Packaging companies and their subsidiaries and operating locations as listed on Page 23. CPH Group AG has operational control over the activities at these locations. All such locations were considered in the compilation of the greenhouse gas emissions assessment with the exception of the Zeochem sales offices in Shanghai and Singapore, which were excluded in view of their negligible materiality. The consolidation thereof was performed using the same scope of consolidation as in CPH Group AG’s financial reporting. In line with its entire sustainability reporting, the company refrained from including the former and now spun-off Paper Division in such calculations for the first half of 2024 and the full year of 2023, to ensure that the data as presented are more forward-oriented and remain comparable year-on-year.

Within the framework of Scope 3, the following categories were excluded as they are not material to the activities of CPH Group AG and are either not applicable in industry comparisons or produce only negligible emissions: business travel, employee commuting, (upstream and downstream) leased assets, franchises and investments.

In calculating emissions, all the greenhouse gases defined in the United Nations Framework Convention on Climate Change (UNFCCC) were included, i.e. carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulphur hexafluoride (SF₆), partly halogenated hydrofluorocarbons (HFCs), nitrogen trifluoride (NF₃) and perfluorocarbons (PFCs). The resulting standard unit of calculated greenhouse gas emissions is the ‘carbon dioxide equivalent’ or CO₂e.

No primary data from suppliers or other value chain partners were used in the calculations. The factors used in the calculations – each in the latest status available – were obtained from the following sources:

- Scope 1 emissions (direct emissions): GHG conversion factors – DEFRA;
- Scope 2 emissions (indirect emissions from energy used): Ecoinvent 3.10;
- Scope 3 emissions (other indirect emissions): life cycle upstream emission factors – IEA; greenhouse gas conversion factors – DEFRA and Ecoinvent 3.10.

The compilation of the greenhouse gas emissions assessment described in this report is based on the reporting year of 2024 and the prior year of 2023. The general approach for compiling such assessments is based on activity data and emission factors. To this end, location-specific activity data were collected for these time periods, and use was made of the corresponding emission factors (which are updated annually) for the periods concerned.

The corresponding calculations for 2024 were essentially made by using the actual activity data for the January to November period and supplementing these with estimates for December (with the full-year emissions extrapolated based on net sales for January to November and annual net sales). As a result, the full volumes of greenhouse gas emissions can be shown which were caused by CPH Group AG in 2024 within the system parameters defined. The greenhouse gas emissions assessment for 2023 is essentially based entirely on the actual activity data for the period.

To complete the greenhouse gas emissions assessment, certain assumptions had to be made to fill gaps in data. CPH Group AG is taking active steps to improve the quality of the data concerned and the procedures for obtaining them, to further reduce the need for such assumptions in future assessments. Improvements were achieved in 2024 in both data quality and methodology, which both reduced the scope of the assumptions required and improved the quality of the greenhouse gas metrics presented. No such assumptions were made for Scope 1 and Scope 2: all the data used were actual activity data. But some assumptions had to be made for the significant categories in Scope 3, to complete the data basis:

- Purchased goods and services (Category 1): For almost all of Zeochem's and for more than 96 % of Perlen Packaging's volumes of goods and services purchased, the associated emissions were calculated using specific activity-based average emission factors. For the remaining 4 % of such goods and services purchased at Perlen Packaging, for which no weight details were available, such calculations were effected using their value and expenditure-based emission factors. Since the underlying data only provide net weights, the additional packaging weights were estimated and included accordingly in overall category emission calculations.

- Upstream transportation and distribution (Category 4) + Downstream transportation and distribution (Category 9): These categories had their emissions calculated using a distance-based approach. The points of origin and destination and the transportation used were available for all routes. For marine and air transport, the primary and secondary routes had to be calculated, to pay due regard to the surface transport to/from the port or airport, too. If no details were available on the port of origin and destination for a marine transport consignment, the nearest ports were used to calculate the distances of the primary route (by sea) and the secondary route (by road). An analogous approach was adopted for air transport consignments where necessary, using the nearest international airports.
- Waste generated in operations (Category 5): Waste emissions are calculated using a 'cut-off' approach which distributes the resources used and the emissions they cause over the various phases of the product life cycle. The environmental impact associated with the production of recycled materials is assigned to the user of the recycled materials concerned. This means that the emissions generated by the production of recycled content are 'cut off' from the original product system and assigned to the product system using the recycled material. The same applies to waste which is incinerated with energy recovery ('waste to energy'). In view of this, recycled waste and waste incinerated with energy recovery are assigned an emission factor of 0.
- Processing of sold products (Category 10): The emissions calculated pay due regard to any further processing of sold products by other companies before their end-user consumption. This category is not relevant for Zeochem, as its products are used by its customers directly without further processing. For Perlen Packaging, thermoforming is the main procedure used in processing the company's sold products. An emission factor procured from Ecoinvent 3.10 was used for such thermoforming activities.
- End-of-life treatment of sold products (Category 12): At Zeochem, molecular sieves and gels are the main end-of-life products, and these are regarded as hazardous waste in view of their contamination potential. With no information available on their actual disposal, these products were assumed to have been disposed of by incineration. Incineration was also assumed at Perlen Packaging, with an emission factor for the incineration of plastic used for the disposal of blister packagings. Since only net weights were available, the weight of the packagings concerned was estimated as the difference between the net and the gross weight of the (Category 9) products sent. For Zeochem the composition of the packagings was known, but assumptions were made as to the proportions of their various constituent materials. For Perlen Packaging, the packaging was assumed to consist of plastic packagings and EU pallets.

Greenhouse gas emissions

in tonnes of CO ₂ e	2024 ¹	2023	% change
Scope 1: From own sources	13 542	12 272	+10.3 %
Share of Scope 1 from regulated emission trading schemes	0.0 %	0.0 %	
Scope 2: From purchased energy, market-based²	30 270	28 452	+6.4 %
Scope 2: From purchased energy, location-based³	37 954	36 331	+4.5 %
Cat. 1: Purchased goods and services	322 993	333 496	-3.1 %
Cat. 2: Capital goods	5 971	6 569	-9.1 %
Cat. 3: Activities with fuels and energies	7 215	6 722	+7.3 %
Cat. 4: Upstream transportation and distribution	11 790	6 394	+84.4 %
Cat. 5: Waste generated in operations	563	424	+32.8 %
Cat. 9: Downstream transportation and distribution	12 211	13 510	-9.6 %
Cat. 10: Processing of goods sold	11 236	11 569	-2.9 %
Cat. 12 End-of-life treatment of goods sold	149 232	147 816	+1.0 %
Total Scope 3: Indirect from value chain	521 211	526 500	-1.0 %
Total emissions, market-based	565 023	567 224	-0.4 %
Total emissions, location-based	572 707	575 103	-0.4 %
Greenhouse gas intensity, market-based (in tonnes of CO ₂ e per million CHF net sales)	1 748	1 569	+11.4 %
Greenhouse gas intensity, location-based (in tonnes of CO ₂ e per million CHF net sales)	1 772	1 591	+11.4 %

¹ reviewed with limited assurance

² market-based emissions take into account the CO₂ emissions based on the electricity supply contracts of the location concerned

³ location-based emissions take into account the average CO₂ emissions of the electricity grid at the location concerned

Explanations of developments in carbon dioxide emissions

Greenhouse gas emission volumes showed a (market-based -0.4 %) year-on-year decrease in 2024. The reduction is attributable in particular to lower greenhouse gas emissions from purchased goods and services in the upstream value chain. This was counteracted by an increase in the consumption of energy derived from fossil sources or without certificate of origin. This in turn is due in part to the fact that less (Scope 2) renewable heat was available. The use of (Scope 2) electricity and (Scope 1) natural gas also increased as a result of the changed product mix.

The market-based Scope 2 greenhouse gas emissions from purchased energy are 20.2 % lower than the location-based Scope 2 greenhouse gas emissions (prior year: 21.7 % lower), primarily because both the Müllheim and the Perlen operating sites of Perlen Packaging specifically use electricity generated from renewable fuels and from carbon dioxide emission-free nuclear energy sources.

The 1.0 % decrease in Scope 3 greenhouse gas emissions in the upstream and downstream value chain is attributable to various

factors. These include the impact of changes in production volumes, the product mix and the sales volume mix, the effect of more accurate measurement methods and changes in emission factors.

The Scope 3 carbon dioxide emissions for purchased goods and services in the upstream value chain (Category 1), which make the biggest contribution of all to overall greenhouse gas emissions, were down 3.1 % from their 2023 level. The reduction is due partly to the lower procurement volumes in the light of the lower net sales, and partly to a change in the procurement mix.

The second-biggest source of overall greenhouse gas emissions is the downstream treatment of products sold at the end of their service lives (Scope 3, Category 12). These emissions showed a 1.0 % year-on-year increase for 2024, which is attributable primarily to the changed sales volume mix and to the Chemistry Division's accounting for a larger proportion of total net sales.

Some 13 tonnes of CO₂e were also emitted in 2024 in the form of biogenic emissions.

Greenhouse gas emissions by division

in tonnes of CO ₂ e	Chemistry			Packaging			CPH Group		
	2024	2023	% change	2024	2023	% change	2024	2023	% change
Scope 1: From own sources	11 183	9 954	+12.3 %	2 359	2 318	+1.8 %	13 542	12 272	+10.3 %
Scope 2: From purchased energy, market-based ¹	24 609	22 699	+8.4 %	5 661	5 753	-1.6 %	30 270	28 452	+6.4 %
Scope 2: From purchased energy, location-based ²	25 224	23 150	+9.0 %	12 730	13 181	-3.4 %	37 954	36 331	+4.5 %
Scope 3: Indirect from value chain	229 088	226 348	+1.2 %	292 123	300 152	-2.7 %	521 211	526 500	-1.0 %
Total emissions, market-based	264 880	259 001	+2.3 %	300 143	308 223	-2.6 %	565 023	567 224	-0.4 %
Total emissions, location-based	265 495	259 452	+2.3 %	307 212	315 651	-2.7 %	572 707	575 103	-0.4 %
Greenhouse gas intensity, market-based (in tonnes of CO ₂ e per million CHF net sales)	2 258	2 086	+8.3 %	1 457	1 299	+12.2 %	1 748	1 569	+11.4 %
Greenhouse gas intensity, location-based (in tonnes of CO ₂ e per million CHF net sales)	2 264	2 090	+8.3 %	1 492	1 330	+12.2 %	1 772	1 591	+11.4 %

¹ market-based emissions take into account the CO₂ emissions based on the electricity supply contracts of the location concerned

² location-based emissions take into account the average CO₂ emissions of the electricity grid at the location concerned

Greenhouse gas removals and greenhouse gas mitigation projects financed through carbon credits

CPH Group AG pursues the ambition to decarbonize its production and reduce its emissions to net-zero throughout the value chain while remaining competitive in its business segments. No greenhouse gas emissions reduction projects are presently being conducted which are financed through carbon credits.

Internal carbon pricing

CPH Group AG does not have any internal carbon pricing scheme.

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

With due regard for and application of the definitions on the likelihood of occurrence and the financial impact used in CPH Group AG's risk management system, the following prime climate-related risks and opportunities have been identified:

Climate-related risks

- A shift in the preferences of industrial customers: Industrial customers are increasingly setting their own climate-related goals, and are demanding that Perlen Packaging in particular should set and pursue its own climate change mitigation targets. Non-compliance with such demands could adversely impact net sales and earnings in the short to medium term, though the financial effects of this are regarded as low. Actions such as pursuing the climate change mitigation targets set or registering with the SBTi will help reduce this risk.
- Impact of regulations on supply chains and the extraction of raw materials: The prime suppliers of raw materials are being increasingly subjected to stricter climate policy actions, which could affect the costs of such materials in the medium to long term. The possible financial effects of this are presently considered low as it is assumed that, provided competitive conditions remain unchanged, any such increased costs will prompt higher sales prices.
- Higher investment costs: The investment costs entailed in modifying existing own processes and production lines to make them more climate-friendly (in terms, for instance, of the decarbonization

endeavours envisaged under the SBTi) could potentially result in additional investment needs over a possible ten-year period. The financial effects of any such development are considered low, however, as it is assumed that the associated higher costs would lead to higher sales prices.

Climate-related opportunities

- Rising demand for more sustainable products among industrial customers: CPH Group AG plans to develop new products that cause fewer emissions in their use or further processing and thereby meet its customers' needs to reduce their own emissions. This may have positive financial effects in the medium term, though this will depend on customers' willingness to pay for such sustainable products.
- Low-emission packaging solutions: Innovative climate-friendly packaging solutions offer opportunities for cost savings throughout the value chain (through the benefits offered by the lower use of raw materials, the use of lower-cost materials and/or simpler disposal or recycling) and could deliver competitive advantages in the medium term if customers increase their own support for solutions of this kind. The potential positive financial effects here are primarily contingent on customers' willingness to pay for such low-emission packaging solutions.

3. Pollution

Impact, risk and opportunity management

Policies related to pollution

CPH Group AG is fully aware of its responsibility as a company to avoid and reduce pollution, and acts accordingly. Its actions in doing so are based on its ambitions to avoid the release of pollutant substances and to comply in full with all local rules and regulations. Avoiding and reducing pollution are inextricably integrated into all planning and decision-making at Zeochem and Perlen Packaging.

CPH Group AG has identified the greatest levers in all such aspirations to be ensuring the sparing and efficient use of resources and re-using production waste and its own products. Further information on these endeavours will be found in the 'Resource use and circular economy' section of this sustainability report.

Actions and resources related to pollution

Every production site has its own environmental affairs officer, whose prime duties include ensuring that all local air, water and soil pollution regulations are both familiar and observed. All actions and activities involving dangerous substances have had standardized work processes defined, and the employees involved receive regular appropriate training to ensure that such processes are followed. Regular in-house and extramural safety training is also provided to ensure that all handling of dangerous substances complies consistently with all legal requirements, and that accidents and the release of pollutant substances are avoided.

Metrics and targets

Targets related to pollution

At both Zeochem and Perlen Packaging, the use and the release of environmentally harmful substances are monitored, the associated assessments are studied in depth and the results and findings of these activities are consolidated at the Group level. These data should then serve as a basis for setting appropriate further targets, both in air, water and soil pollution terms and in terms of avoiding or reducing the use of substances of concern and substances of very high concern.

To ensure the appropriate management of their environmental affairs, a corresponding management system has been established by Zeochem at its ISO 14001-certificated Donghai and Zvornik operating sites. Subject to cost/benefit considerations, ISO 14001 certification should be extended to the company's other production sites in the next few years, with the Louisville site expected to earn this in the course of 2025.

Pollution of air, water and soil

The greenhouse gas emissions presented in the 'Climate change' section of this report (Pages 27 to 34) are regarded as air pollutants. Further potential pollutant emissions into the air through production processes are avoided by actions such as the use of appropriate filter systems. In addition, all chemical processes are conducted within closed systems as a general principle.

The company's endeavours to use water resources as sparingly as possible are covered in more detail in the following 'Water and marine resources' section. Waste water, for instance, is pre-treated in precipitation or neutralization systems where necessary and then cleaned in local waste water treatment plants. Soil pollution is avoided through a range of safety concepts and precautions. These include the placement of collection trays in areas with a high risk of exposure and the careful storage of dangerous substances.

No cases of air, water or soil pollution were recorded in either 2024 or 2023. A project to remediate the affected lake bed adjacent to the former production site of Zeochem's predecessor company in Uetikon am See (Switzerland) has been under way since 2022. Some 80 % of the area concerned had been cleaned up by 2024. The work is being performed in close collaboration with the Canton Zurich Building Department, which has the project lead, with CPH Group AG represented in the project steering group.

In its manufacture of plastic blister films, Perlen Packaging helps avoid emitting microplastics into the environment. The main raw material, PVC, is delivered to the company in powder (defined as microplastic) form. This material is then transformed into another state in the production process, and the final product – the plastic film – is no longer defined as microplastic material. By transforming this powder PVC

within a closed system, Perlen Packaging ensures that no microplastics can enter the environment during its production processes.

Substances of concern and substances of very high concern

The production processes at Zeochem and Perlen Packaging involve some substances which are classified as 'substances of concern' or 'substances of very high concern', in the form of raw or auxiliary materials or through their presence therein in low concentrations.¹ These substances are subjected to regular assessments of the threats they pose. All and any actions involving such substances – including their transport, storage and disposal – are prescribed in the standard work procedures and are performed by specially trained employees and/or specialist companies. Thanks to their responsible handling by trained specialist personnel and the taking of further safety precautions such as handling substances of very high concern within closed systems, no material risk of exposure to such substances is anticipated for the companies' employees, for local communities or for the natural environment.

4. Water and marine resources

The topic area of water and marine resources was not considered material at CPH Group AG under the corresponding double materiality assessment (see Page 27). No positive or negative material impacts, risks or opportunities relating to water and marine resources were identified therein. This is first and foremost because the product manufacturing processes at Zeochem and Perlen Packaging require only small volumes of water, and almost all the water resources used can be returned to the natural water cycle in cleaned form via local waste water treatment facilities.

With water being such a valuable natural resource, however, CPH Group AG still makes every effort to ensure its efficient use. To this end, its water consumption is closely monitored, especially at its three Asian operating sites in China and India, which, according to the Aqueduct Water Risk Atlas, are all located in areas of high water stress. A total of 571 000 m³ of water was used in 2024 (prior year: 540 000 m³). The water intensity of CPH Group AG is generally low, because only small volumes of water are used in production. Of all the water consumed, 11 % was used in areas of high water stress (prior year: 7 %).

With a view to achieving greater water efficiency, Zeochem successfully put a new facility into operation in 2024 to process waste water with a high saline content for subsequent re-use. The China-based team involved has also developed a new technological procedure for doing so which not only produces newly cleaned water but also

¹ A chemical substance is defined as a 'substance of concern' if it can have adverse effects on human health or the environment. A chemical substance is classified as a 'substance of very high concern' if it has the potential to cause serious harm to human health or the environment.

isolates certain chemical substances such as calcium chloride (CaCl₂) which can then be used in further production (see also the 'Highlights of 2024' chapter of this annual report).

5. Biodiversity and ecosystems

The topic area of biodiversity and ecosystems was not considered material at CPH Group AG under the corresponding double materiality assessment (see Page 27). No positive or negative material impacts, risks or opportunities relating to biodiversity and ecosystems were identified therein. In view of its very low importance to the company and its business operations and activities, CPH Group AG has refrained from any further reporting in this topic area.

6. Resource use and circular economy

Impact, risk and opportunity management

Policies related to resource use and circular economy

Avoiding and reducing waste and making efficient use of resources have been incorporated into the planning and the decision-making within the divisions of CPH Group AG for many years now. The circular economy and sustainable products are both presently regarded as material opportunities.

CPH Group AG has the ambition to further promote the development of circular-economy products and minimize the waste generated in its production processes. Re-use and recyclability are key criteria here.

Actions and resources in relation to resource use and circular economy

Zeochem helps to avoid waste partly by reducing its production waste volumes and partly by recycling various materials which are used in its production processes.

The molecular sieves manufactured by Zeochem are of mineral origin. They can be regenerated and re-used multiple times, and thus offer customers sustainable and long-lasting solutions.

Heavy water or D₂O is a standard base material in many isotope exchange reactions. At Zeochem's Swiss operating site, all the depleted D₂O is carefully collected, combined with lower-concentration D₂O returned by customers and enriched into concentrated heavy water that can be re-used, via a technology that has been specially developed to enhance Zeochem's circular economy credentials. The company's US operation takes back the steel barrels used by customers and processes them for re-use.

The large IBC containers which are used at Perlen Packaging's Perlen operating site to store and transport fluids are returned to their manufacturer after use for reprocessing and re-use. The paper reels used during machine start-ups and changeovers in Switzerland are also re-used. Thanks to its coating, this paper will not absorb any liquids, and can therefore be used to line vegetable crates. The PVC,

PE and PVdC waste generated at Perlen Packaging's Chinese production plant is sold to another company which uses it to manufacture plastic plant seedling containers.

The medicine packagings produced using Perlen Packaging's plastic films often consist of two elements: the coated plastic film, which is thermoformed to produce the blisters that hold the medicinal product, and the aluminium lidding film through which the product is pressed. Being of two different materials – plastic and metal – these blister packs are harder to recycle than all-plastic packagings. The primary recycling of pharmaceutical packagings is also prohibited for regulatory reasons.

Metrics and targets

Targets related to resource use and circular economy

On the basis of the ambition described above, CPH Group AG has set itself the strategic targets of driving the further expansion of its recyclable product portfolio, practising systematic waste management at all its production sites, minimizing production waste and maximizing the re-use of production waste, consumables and residual production materials. These strategic targets should above all help to reduce the volumes of raw materials used, with a concomitant reduction in greenhouse gas emissions.

Resource inflows

Zeochem uses both mineral raw materials and heavy water (D₂O) and intermediate products as base materials in its production.

Perlen Packaging largely processes rigid PVC into films, which are generally further processed with aluminium films to produce blister packs in the downstream value chain. The PVC used by Perlen Packaging has a smaller carbon footprint over its full life cycle compared to other oil-based polymers.

No raw materials regarded as 'conflict minerals' such as tin, tantalum, tungsten or gold are imported or processed in substantial volumes. Tin stabilizers are used in certain Perlen Packaging products. The suppliers of these are regularly checked by the company to ensure that none of the tin used is obtained from conflict regions, and that the applicable provisions of the Responsible Minerals Initiative (RMI) are duly and fully observed.

Resource outflows

By aiming to ensure the re-use and the efficient use of the raw materials it requires for its activities and its products, CPH Group AG makes its contribution to the circular economy. Re-use and recyclability are key criteria here.

Zeochem helps to avoid waste partly by reducing its production waste volumes and partly by recycling various materials used in its production. The latter include mother liquor, molecular sieves, steel barrels, wood

pallets, heavy water (D₂O) and the big bags used to package molecular sieves. The solid waste of aluminium silicate clay compounds deriving from molecular sieve production is sent to inert waste landfills for disposal.

Perlen Packaging is committed to the recycling of polyvinyl chloride (PVC). At its Müllheim site, the PVC produced in the form of edge-trim waste is taken from the calender, ground directly in an edge strip granulator and channelled back into the extrusion process. This material is thus fed back directly into film production to make a further positive contribution to the circular economy. Any plastic not recyclable in the company's own processes is either used to make film reel cores by a third-party provider or sold to recyclers to manufacture other PVC products. Over 90 % of Perlen Packaging's PVC production waste is re-used.

Waste in tonnes	2024	2023
Non-hazardous waste, recycling	4 546	5 543
Non-hazardous waste, other utilization	447	504
Hazardous waste, recycling	7	375
Hazardous waste, other utilization	338	304
Total utilized waste	5 338	6 726
Non-hazardous waste, incineration	-	-
Non-hazardous waste, landfill	611	568
Hazardous waste, incineration	174	118
Total disposed waste	785	686
Total waste	6 123	7 412
Share of waste utilized	87.2 %	90.7 %
Share of waste disposed of	12.8 %	9.3 %
Total hazardous waste	519	797
Total radioactive waste	-	-

The total volume of waste generated through business operations was reduced for 2024. The reduction was attributable in particular to the changed product mix and to lower sales volumes in some product lines. The proportion of utilized waste in the total waste volume remained almost unchanged at a high 87.2 % (prior year: 90.7 %), thanks to high recycled waste volumes.

7. Own workforce

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model

The global success of CPH Group AG is largely achieved through the knowledge, the skills and the motivation of its personnel. The company conducts itself accordingly towards its employees at all its business and operating sites, through active human resources (HR) management and by paying due and constant regard to any risks which may jeopardize these aspirations.

CPH Group AG does not tolerate any discrimination based on gender, skin, religion, nationality, age, sexual orientation, physical or mental disability, family status, political views or other legally protected characteristic. All forms of physical or psychological violence, bullying or sexual harassment at the workplace are forbidden. CPH Group AG further does not tolerate any form of human rights violation such as human trafficking or forced or child labour.

CPH Group AG conducts its HR in accordance with its Guiding Principles and its Personnel Regulations. The company meets all the fundamental international employment standards in all its business activities and at all its business and operating locations, and complies with all national and local employment and health and safety laws, rules and regulations.

It is the ambition of CPH Group AG to promote the satisfaction of its employees and their identification with the company and thereby remain an attractive employer. In all the corresponding endeavours, employee recruitment, employee retention and knowledge transfer represent prime HR challenges. In a time in which the local employment markets in some regions are witnessing distinct shortages of specialist personnel and in which workforces are also increasingly ageing, knowledge transfer and effective employee recruitment are becoming crucial factors to a company's long-term success. The corresponding actions being taken on these fronts are detailed below.

Impact, risk and opportunity management

Policies related to own workforce

In line with its ambition to promote the satisfaction of its employees and their identification with the company and thereby remain an attractive employer, CPH Group AG defined six strategic action areas in 2024: occupational safety, workforce involvement, intensified recruitment & needs-based further training, succession planning for all management and further key positions, workplace diversity and market-appropriate salaries. The highest priority here is given to protecting the company's employees from work-related accidents and thereby keeping work-related accident numbers as low as possible. Further information on this will be found in the subsection 'Health and safety metrics' on Page 40.

Processes for engaging with own workers and workers' representatives about impacts

An open communications culture, a management that embodies and practises the company's values and a safe, healthy and diverse working environment lay the foundation for involving its employees and encouraging them to identify with both their work and their employer.

At CPH Group AG, company information is communicated via various channels which include personal discussions, staff meetings, the intranet, the staff magazine and noticeboards. Performance reviews are held annually. The employees' representatives at each business

and operating site are duly involved in line with the relevant legal provisions.

CPH Group AG maintains a companywide Continuous Improvement Process (CIP) to help identify and effect process optimizations and cost savings that improve the quality of its products and services, raise its customers' satisfaction and involve its employees. Every idea is welcomed that can optimize a process, save energy, spare resources, protect the environment, contribute to safety, improve the working atmosphere or increase earnings results. All the CIP suggestions submitted are evaluated in a clearly structured process. Experience has shown that around half the ideas submitted are put into practice. The CIP is also incorporated into individual performance targets, and CIP training is conducted annually in both business divisions.

A total of 680 CIP system-based suggestions for improvements were submitted in 2024 (prior year: 720 suggestions).

Processes to remediate negative impacts and channels for own workers to raise concerns

CPH Group AG maintains an externally accessible whistleblowing system which, after being established in Germany and Switzerland, is now being rolled out at all locations worldwide. The system enables employees to anonymously communicate any concerns they may have. They also remain free at any time to consult their in-house HR manager.

An in-house Social Counselling facility was established in Switzerland in the course of 2024. This gives employees the option of consulting a neutral party on any work-related issue (such as workplace problems or bullying), health matter (such as psychological problems or burnout) or difficulty in their private life (such as a family or financial concern). With its specialized staff, the new facility offers such employees professional assistance and advice. In establishing its Social Counselling facility, CPH Group AG is taking preventive action to ensure that its Swiss-based workforce can maintain and further strengthen their health, their motivation and their ability to work and perform.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

To protect employees from accidents and keep work-related accident rates low, every operating location has its own designated occupational safety officer, and training in industrial safety is regularly conducted. Possible further improvements in workplace safety can also be actively addressed via the established Continuous Improvement Process (CIP). Any accident which does occur is analyzed via a predefined process to help prevent its recurrence. These and further actions will be continued, and will also be continually modified as and where required.

In its stated endeavours to further strengthen its employees' involvement and commitment, CPH Group AG will be focusing in particular on deriving concrete actions from the results and findings of its next staff survey, which is scheduled for 2025. The company conducts such surveys every three years, in the topic areas of job satisfaction, working environment, professional development, leadership, communications, innovation, customers, strategy and involvement.

The most recent such survey in 2022 generated a response rate of 82 % – an 11-percentage-point improvement on the previous such poll in 2019. The positive responses in the 2022 survey also equalled or exceeded the already high levels of 2019 in the various areas, with the highest approval ratings – of between 80 % and 89 % – recorded in the customers, innovation, leadership, working environment and professional development categories.

Priority also continues to be given to ensuring the provision of needs-based further training and systematic succession planning for all management and other key positions. In addition to the requisite occupational safety training, employees also have the opportunity to attend individual training courses for their specific profession or trade.

CPH Group AG seeks to continue to offer an attractive working environment in which its people can fully develop their individual potential (further details on this will be found in the 'Diversity metrics' subsection on Page 39). The corresponding salary policy should also continue to offer salaries that are in line with market levels (see also the 'Salary policy' subsection on Page 39). And a further action in this same field is the company's ongoing studies of ways and means to expand the fringe benefits that it offers its employees alongside their salary.

Metrics and targets

Targets related to own workforce

The targets set in the various topic areas have already been elaborated on in the previous section in connection with the various actions being taken. They will now be discussed in more detail in the presentation below of the characteristics of the personnel of CPH Group AG.

Characteristics of the undertaking's employees

Employees by region

in FTE	31.12.2024	31.12.2023
Switzerland	255	255
Rest of Europe	204	208
North and South America	187	192
Asia	313	186
Total	959	841

Employees by division

in FTE	31.12.2024	31.12.2023
Chemistry	406	283
Packaging	546	551
CPH	7	7
Total	959	841

Employees by function

in FTE	31.12.2024	31.12.2023
Production	548	533
Logistics	106	58
Research & development, quality	59	52
Marketing & sales	131	99
Human resources, purchasing, finance	115	99
Total	959	841

Length of service

	31.12.2024	31.12.2023
Up to 5 years	57.9 %	56.7 %
6 to 10 years	19.0 %	19.5 %
11 to 20 years	12.7 %	11.3 %
More than 20 years	10.4 %	12.5 %

Staff turnover by division

	2024	2023
Chemistry	17.8 %	12.3 %
Packaging	8.4 %	12.3 %
Total	11.9 %	12.2 %

Staff turnover by region

	2024	2023
Europe	5.7 %	5.6 %
North and South America	18.9 %	31.5 %
Asia	18.8 %	11.4 %
Total	11.9 %	12.2 %

Staff turnover saw a slight decline in the year under review. A number of targeted actions helped achieve a particular reduction in staff turnover rates for North and South America, though this positive trend was countered by the first-time inclusion of a new India-based subsidiary.

Collective bargaining coverage

Some 202 employees of Perlen Packaging at the company's Perlen site in Switzerland are subject to a collective labour agreement (CLA), while the 161 personnel at the company's Müllheim site in Germany are subject to the CLA provisions of the Industriegewerkschaft Bergbau Chemie Energie (IGBCE). Elsewhere, personnel work under individual employment contracts.

Diversity metrics

Employees by gender

	31.12.2024	31.12.2023
Female	25.2 %	22.8 %
Male	74.8 %	77.2 %

Employees by age

	31.12.2024	31.12.2023
Up to 30 years	19.9 %	18.3 %
31 to 50 years	54.5 %	54.8 %
More than 50 years	25.6 %	26.9 %

CPH Group AG seeks to ensure that all its employees can develop to their full potential, irrespective of their age, gender or other criteria. To this end, the company pursues a fair and non-discriminatory employment policy in which all decisions on recruitment, further development and promotion are based on the employee's individual performance, skills and potential at their place of work.

Collaborations within multicultural teams are actively practised and promoted. This is of particular importance to CPH Group AG because as at the end of 2024, some 73 % of its personnel were employed at locations outside Switzerland. The company's 2024 year-end workforce consisted of employees from 44 different nations (prior year: 46 nations).

The total workforce of CPH Group AG with its remaining Chemistry and Packaging Divisions numbered 959 employees at the end of 2024, 118 more than a year before. The increase is attributable to acquisition activities. Some 27 % of the workforce were employed in Switzerland.

The proportion of women in the CPH Group AG workforce amounted to 25.2 %, up from the 22.8 % of the previous year. For optimum recruitment purposes, diversity should be further promoted, subject to the availability of suitably skilled and qualified personnel. In addition to such diversity considerations, a firm emphasis is also placed on criteria such as performance record, skills and experience in all assessment activities.

Salary policy

CPH Group AG pursues a fair, transparent and appreciable salary policy that is closely aligned to local and regional customs and conditions. This policy is intended to offer salaries that pay due regard to the demands of the position, the conduct, performance and success of its occupant and general market levels. It also rewards above-average performance, such as via bonus payments or (with management positions) via a variable salary component that is linked to the achievement of individually-set performance targets and to Group and/or divisional results.

At the company's Swiss locations – and, where meaningful, in its other countries of operation, too – evaluations are conducted annually (or every three years for the members of the Group Executive Board and the divisional managements) to determine whether the salaries being paid are in line with market levels. These actions are designed to ensure that no employee should receive an inappropriate salary.

Social protection

CPH Group AG offers its employees assistance and support in the event of accident or sickness, paid maternity or paternity leave and access to healthcare provision. The scope of such services is based on the local customs and conditions at the corresponding operating location.

The same applies to the company's occupational pension schemes. Employees in Switzerland are insured under a defined-contribution scheme which had a funding ratio of 122 % at the end of 2024 (prior year: 119 %). The company also maintains a patronage fund which can, among other things, support Swiss-based employees and their families. CPH Group AG further offers its employees a Social Counselling facility, which was established in 2024 (see Page 37).

Training and skills development metrics

Apprentices in training, interns and working students

in heads	31.12.2024	31.12.2023
Switzerland	12	12
Germany	12	5
Other countries	5	8
Total apprentices in training	29	25

Professional training is vital – to maintaining the long-term competitiveness of individual businesses, to providing the broader economy with skilled and qualified professionals and to attracting new employees in general recruitment endeavours and in filling job vacancies as they arise. So with its commitment to providing basic professional training at its Swiss and German operating sites, CPH Group AG is also assuming a key social responsibility. Zeochem has developed a joint student programme with ETH Zurich, while Perlen Packaging

offers internships for student engineers at its German operations. Further internships and support with bachelors' degree theses are also provided, subject to business and operating feasibilities.

CPH Group AG had 29 apprentices undergoing their basic training as automation engineers, chemical lab technicians, commercial officers, computer scientists, logistics officers, plant operators, polymechanics and production and process mechanics at the end of 2024 (prior year: 25). A total of 8 (prior year: 19) apprentices completed their courses during the year, 5 of whom could be offered permanent company employment.

Perlen Packaging had eight mature learners engaged in the production and logistics at its Perlen site in 2024 who were undergoing further education in parallel with their employment, and who will earn a Swiss Federal Diploma of Vocational Education and Training (EFZ) at the end of their training course. To qualify for such training, the learner must first have completed the company's in-house German course, which is offered to all employees.

Perlen Packaging's first four mature learners completed their further education in summer 2024. The company was swift in identifying this demand for adult education among employees with more basic German skills and no educational qualifications which are recognized in Switzerland. Through this pioneering involvement in adult education, Perlen Packaging is not only alleviating a general shortage of suitably skilled personnel: it is also helping immigrants to assimilate in their new country. The programme is being offered in collaboration with the Lucerne cantonal authorities.

CPH Group AG offers its employees opportunities to undergo both in-house and extramural training under a targeted skills development concept. The programmes provided here include safety training on topics such as forklift driving or cybersecurity, along with individually arranged courses addressing their specific professional needs, including courses on sustainability issues. To ensure that the further training they are offered is optimally aligned to their requirements and to promote their personal and professional development, all employees also participate in regular performance and career reviews.

A CPH Group AG employee spent an average of 1.9 days (prior year: 2.0 days) on in-house or external training in 2024. The Group invested CHF 0.6 million (prior year: CHF 0.9 million) in initial and further training for its employees over the course of the year.

The management corps of CPH Group AG plays a vital part in the achievement of its business objectives. The company supports its management corps members in their personal career plans. The company has set itself the goal of filling at least one third of all the middle management vacancies which arise every year with candidates from its own ranks. In 2024, 28 % of such vacancies were filled in this way.

Succession planning for all middle management positions is steered by groupwide HR Management and is monitored by the Board of Directors' Personnel & Compensation Committee.

The company also maintains the CPH Academy, which opened in 2022, to promote and support management corps members and occupants of further key positions. The Academy works with two external seminar and e-learning tool providers to specifically further refine such employees' corporate development, leadership, communications, technical and self-competence skills. A total of 69 employees attended CPH Academy seminars and e-courses in 2024, while 88 employees did so in the previous year.

Health and safety metrics

Work absences

	2024	2023
Number of accidents at work	20	17
Number of fatalities	0	0
Accident-related absence	0.2 %	0.1 %
Absence due to illness	2.6 %	3.1 %

The health and safety of its employees are a paramount priority of CPH Group AG, and every conceivable effort is made to keep the numbers of industrial and work-related accidents as low as possible. This is also why all the company's employees are subject to its Health & Safety Management System. Every site further has its own safety officer, and the production sites additionally have trained paramedic staff.

Health and safety training continued to be provided by the correspondingly qualified personnel at all the company's locations in the course of 2024. Should an employee identify an existing or a potential safety deficiency within the production process, they can either report this directly to their superior or submit an appropriate suggestion for improvement via the established Continuous Improvement Process (CIP). Such action helps further strengthen the existing occupational safety provisions and refine or modify these as and where required.

Any work-related incidents that occur are systematically analyzed to help prevent future accidents. At CPH Group AG such incidents are deemed to include minor incidents such as cuts or grazes, which accounted for the majority of work-related accidents in the year under review. The company strives to achieve a zero accident rate for every business year. Any employee who is absent from work through illness is offered assistance and support within the framework of local legal provisions.

Employees can take advantage of numerous preventive healthcare facilities such as free flu vaccinations. A number of the company's operations also support their employees' personal fitness endeavours, by subsidizing their gym subscriptions, by participating in 'Bike to Work' programmes that encourage staff to cycle their daily commute or by having their own local staff soccer club. They further organize joint health-promoting activities such as hikes or fun run participations.

Work-life balance metrics

Employees by employment level

	31.12.2024	31.12.2023
Full-time	93.2 %	92.8 %
Part-time	6.8 %	7.2 %

CPH Group AG strives to ensure that its employees can maintain a healthy balance between their work and their private lives. Wherever possible, the company offers part-time employment options, flexitime arrangements and sabbaticals to these ends. Staff approaching retirement are also offered appropriate preparatory courses. And some 0.8 % of the workforce were absent on maternity or paternity leave in 2024 (prior year: 0.8 %).

Compensation metrics (pay gap and total compensation)

The principle of 'equal pay for work of equal value' is anchored in both the Swiss Constitution and the Swiss Federal Gender Equality Act. CPH Group AG pursues a corresponding salary policy which is also in line with general market conditions. The company analyzed salary equality in the relevant Perlen Packaging units with more than 100 employees in 2021, and also commissioned an external auditor to study the findings obtained. Perlen Packaging was found to be within the tolerances specified in salary equality terms.

Incidents, complaints and severe human rights impacts

As in 2023, no cases of discrimination (including harassment) were reported and no cases of severe human rights violations (such as forced labour, human trafficking or child labour) were identified at CPH Group AG in 2024. As a result, no fines, sanctions or compensatory damages payments were incurred in the light of the same.

8. Workers in the value chain

The sustainability topic of workers in the upstream and downstream value chains was considered non-material under the corresponding double materiality assessment (see Page 27). No material positive or negative impacts, risks or opportunities were identified in relation to workers in the value chain. CPH Group AG aims nevertheless to continually further improve its sustainable supplier management and thereby exceed the relevant regulatory requirements where possible.

Zeochem and Perlen Packaging each have their own Code of Conduct, both of which are publicly available on the CPH Group AG website (<https://cph.ch/investors/documentation/>). These Codes of Conduct also specify that every partner with which CPH Group AG maintains business relations is expected to maintain the same ethical conduct and behaviour. Should any suspicion to the contrary arise, this can be reported to CPH Group AG at any time by any of various channels (see <https://cph.ch/contacts/>).

The suppliers to Zeochem and Perlen Packaging are also expected to commit, under the applicable Supplier Code of Conduct, to paying due regard to the interests of the workers in the value chain. CPH Group AG does not tolerate any form of human rights violation such as human trafficking, forced labour or child labour. No such violations were identified by CPH Group AG in either 2024 or the prior year, nor were any cases recorded of reasonable suspicion thereof.

9. Affected communities

The sustainability topic of affected communities was considered non-material under the corresponding double materiality assessment (see Page 27). No material positive or negative impacts, risks or opportunities were identified in relation to affected communities in the value chain. CPH Group AG identified no instances in 2024 of any negative impact of its business activities on the communities around its operating sites, and none of the company's business or operating sites are located in a region inhabited by indigenous peoples. In view of its negligible applicability, CPH Group AG refrains from providing more exhaustive reporting on this sustainability topic.

10. Consumers and end-users

The sustainability topic of consumers and end-users was considered non-material under the corresponding double materiality assessment (see Page 27). No material positive or negative impacts, risks or opportunities were identified in relation to consumers and end-users in the value chain. This is partly because the customers of CPH Group AG are other industrial concerns, and the company's products cannot be obtained directly by such consumers and end-users.

It is, however, a key aim and concern of CPH Group AG to maintain the highest product quality and product safety standards at all times. Through a combination of sustainable management, ethical conduct, quality control and partnerly collaborations, the company strives to ensure that its own business model can have an appropriately positive impact among consumers and end-users.

11. Business conduct

The role of the administrative, supervisory and management bodies

The role of the administrative, supervisory and management bodies with regard to the conduct of business and the professional expertise of the administrative, supervisory and management bodies with regard to aspects thereof are presented in the 'Corporate governance' chapter of this annual report from Page 46 onwards.

Impact, risk and opportunity management

Corporate culture and business conduct policies

The long-term value creation at CPH Group AG is based on responsible business conduct which pays due and full regard to the interests of its customers, employees, shareholders and further stakeholders. The company strives to ensure the ethical conduct of all business, and actively manages its sustainability issues and endeavours throughout the value chain.

Zeochem and Perlen Packaging each have their own universally applicable Code of Conduct, both of which are publicly available on the CPH Group AG website (<https://cph.ch/investors/documentation/>). These Codes of Conduct each cover various aspects of the company's ethics and corporate culture such as non-discrimination, equal opportunities, workplace safety, data protection, human rights, anti-corruption, handling conflicts of interest, sponsorship and donations, fair competition and whistleblower protection.

Should any suspicion of improper conduct arise, this can be reported to CPH Group AG at any time by any of various channels (see <https://cph.ch/contacts/>).

Management relationships with suppliers

Zeochem and Perlen Packaging traditionally maintain close, trusting and in many cases long-standing business relations with their suppliers, and are correspondingly well familiar with their customs, habits and demands. In institutional terms, these business relations are regulated in each company's Code of Conduct and in their corresponding Supplier Code of Conduct. Zeochem and Perlen Packaging also conduct regular audits of their various suppliers. Both CPH Group AG and Zeochem and Perlen Packaging consistently observe all the contractually agreed or legally prescribed payment terms with all their suppliers.

Prevention and detection of corruption and bribery

The risk management of CPH Group AG is described in detail – including all material risks – in the corporate governance report within this annual report. These risks are viewed and assessed from the perspective of CPH Group AG, with a focus on their possible impact on the company's business. Such risks are identified, and the associated actions planned in response, in a two-step process within each constituent division, and are then aggregated at the Group level.

No material risks which would require immediate mitigation measures have been identified in the areas of the environment, human rights violations, social issues, corruption or employee affairs. CPH Group AG is constantly further improving its risk management process and updating its inventory of risks in accordance with their relevance to its business.

In particular, no violations of competition law and no cases of corruption in connection with business activities were identified in the year under review. Thanks to the manageably overviewable nature of its business divisions and its close management thereof, CPH Group AG regards the risk of corruption in particular as low. In view of this, the company sees no need for further action here.

Metrics and targets

Political influence and lobbying activities

CPH Group AG made selective political donations in 2024. These were made directly in the form of financial support or benefits in kind to political parties, their elected representatives or persons seeking political office. CPH Group AG is a member of the Central Switzerland Chamber of Industry & Commerce (IHZ) and of Economiesuisse, the umbrella association of Swiss business and industry.

Payment practices

CPH Group AG abides by all contractually agreed or legally prescribed payment terms. No CPH Group AG company was the subject of any legal proceedings for payment default at the end of 2024 or at the end of the previous year.

Production site quality certifications	Zeochem					Perlen Packaging				
	Rüti CH	Louisville USA	Donghai CN	Zvornik BA	Vadodara IND	Perlen CH	Müllheim D	Whippany USA	Suzhou CN	Anápolis BR
ISO 9001	•	•	•	•	•	•	•	•	•	•
ISO 14001 (environmental)			•	•						
ISO 15378 (GMP)						•	•		•	•
ISO 50001 (energy)							•			
ISO 45001 (safety)			•	•						
FDA, USA DM Nos. 10686, 9072 and 30501						•	•		•	

Independent practitioner's limited assurance report

on Greenhouse Gas (GHG) Scope 1–3 Indicators in the Sustainability Report 2024 to the Management of CPH Group AG, Root

We have been engaged by Management to perform assurance procedures to provide limited assurance on the accompanying Greenhouse Gas (GHG) Scope 1–3 Indicators in Sustainability Report 2024 in the Annual Report 2024 of CPH Group AG for the period from 1 January 2024 to 31 December 2024.

The following GHG Scope 1–3 Indicators in the table on page 32 in the Sustainability Report 2024 of CPH Group AG were disclosed by the management of CPH Group AG:

- Scope 1: From own sources
 - Share of Scope 1 from regulated emission trading schemes
- Scope 2: From purchased energy, market-based
- Scope 2: From purchased energy, location-based
- Total Scope 3: Indirect from value chain
 - Cat. 1: Purchased goods and services
 - Cat. 2: Capital goods
 - Cat. 3: Activities with fuels and energies
 - Cat. 4: Upstream transportation and distribution
 - Cat. 5: Waste generated in operations
 - Cat. 9: Downstream transportation and distribution
 - Cat. 10: Processing of goods sold
 - Cat. 12 End-of-life treatment of goods sold
- Total emissions, market-based
- Total emissions, location-based
- Greenhouse gas intensity, market-based (in tonnes of CO₂e per million CHF net sales)
- Greenhouse gas intensity, location-based (in tonnes of CO₂e per million CHF net sales)

The reporting process and the Greenhouse Gas (GHG) Scope 1–3 Indicators for 2024 in the Sustainability Report 2024 of CPH Group AG were developed by the management based on, among other things, the Greenhouse Gas Protocol, Corporate Standard, Revised Edition, and the associated Scope 3 Calculation Guidance as described on pages 30 and 31 in the section 'Methodology used' (hereinafter summarized as "suitable Criteria").

Inherent limitations

The accuracy and completeness of the GHG Scope 1–3 Indicators are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. Our assurance report will therefore have to be read in connection with the suitable Criteria.

Management's responsibility

The Management of CPH Group AG is responsible for the preparation and presentation of the Sustainability Report 2024 in the Annual Report 2024 of CPH Group AG in accordance with the description about the basis of preparation in the General Information on page 23 in the Sustainability Report 2024. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation of the Sustainability Report 2024 that are free from material misstatement, whether due to fraud or error. Furthermore, the Management is also responsible for the selection and application of the basis of preparation and adequate record keeping.

Independence and quality control

We are independent of the CPH Group AG in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers AG applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to express a limited assurance conclusion on the GHG Scope 1–3 Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the GHG Scope 1–3 Indicators in the table on page 32 is free from material misstatement, in all material respects.

A limited assurance engagement undertaken in accordance with ISAE 3410 involves assessing the suitability in the circumstances of CPH Group AG's use of the suitable Criteria as the basis for the preparation of the GHG Scope 1–3 Indicators, assessing the risks of material misstatement of the GHG Scope 1–3 Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG Scope 1–3 Indicators in the table on page 32 in the Sustainability Report 2024. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the

procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgment.

We performed the following procedures:

- *Evaluation of the application of corporate guidelines*
Review of the application of internal sustainability reporting guidelines from with the consideration of the appropriate Criteria.
- *Site visits and Management interviews*
 - Site visit in Rüti and Müllheim; and
 - Interviews with employees responsible for internal reporting and data collection at the locations, divisional level, and corporate level.
- *Assessment of the THG Scope 1–3 Indicators for 2024*
Conducting sample-based tests of the evidence for the GHG Scope 1–3 Indicators for 2024 regarding their completeness, accuracy, adequacy, and consistency.
- *Review of documentation and analysis of relevant fundamental documents*
Review of relevant documentation on a sample basis, including the sustainability policy of CPH Group AG, management of reporting structures, and documentation.

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

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the GHG Scope 1–3 Indicators in the table on page 32 in the Sustainability Report 2024 in the Annual Report 2024 of CPH Group AG for the period from 1 January 2024 to 31 December 2024 are not prepared, in all material respects, in accordance with the suitable Criteria.

Restriction of use and purpose of the report

This report is prepared for, and only for, the Management of CPH Group AG, and solely for the purpose of reporting to them on the GHG Scope 1–3 Indicators and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Management to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the GHG Scope 1–3 Indicators in the Sustainability Report 2024 in the Annual Report 2024, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of CPH Group AG for our work or this report.

PricewaterhouseCoopers AG



Norbert Kühnis



Cyrill Ivo Manetsch

Zürich, 18 February 2025

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The maintenance and integrity of CPH Group AG's website and its content are the responsibility of the Management; the work carried out by the assurance provider does not involve consideration of the maintenance and integrity of the CPH Group AG's website, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported GHG Scope 1–3 Indicators or suitable Criteria since they were initially presented on the website.