

SUSTAINABILITY REPORT

Reporting of tracked indicators	2
Economic sustainability	4
Environmental sustainability	5
Social sustainability	6
Stakeholder perspective	7

REPORTING OF TRACKED INDICATORS.

Reporting according to the guidelines of the Global Reporting Initiative (GRI).

Bühler has reached the end of its first five-year reporting cycle aligned to the Bühler 2020 strategy process. The baseline is set at 2015 and the reporting is in accordance with the guidelines of the Global Reporting Initiative (GRI).

Throughout the five-year period, Bühler has sought to improve the quality of its sustainability reporting in terms of data quality and data collection methodology, while increasing the coverage in terms of the number of locations and activities. Bühler has reported on 35 key performance indicators (KPIs). For the five environmental KPIs, the 17 major Bühler sites – covering more than 87% of all productive in-house manufacturing hours – were covered throughout the period. In 2020, we have integrated the five major sites from the 2018 acquisition of the company Haas. This slightly increases Bühler's coverage in 2020 to 88% of the entire Group in-house manufacturing hours. To allow comparability of environmental KPIs with previous years, the environmental KPIs of the former Haas sites are listed separately. The other 30 KPIs apply to the entire company from 2019 onwards, unless specifically stated otherwise.

As well as representing an extremely valuable period of learning, there are several notable improvements apparent in the KPIs tracked during the reporting period.

Bühler focused on employee health and safety

- A dedicated Health & Safety team has been put in place, behavioral and awareness programs (e.g. TAKE FIVE), training tools (e.g. WORKPLACE-RISK-MATRIX), improved reporting and compulsory e-learning have been introduced and management attention and engagement is constant. Total Recordable Injuries (TRI) have reduced from 2.9 to 0.9 per 100 employees across the reporting period.

Tackling and reducing the CO₂ equivalent footprint of Bühler locations

- Bühler has actively addressed its procured energy mix, with nine of the 22 sites reporting that they are now buying certified green electricity, and three sites in China using self-generated renewable electricity. The latter covering 10%, 40% and 60% of their consumption. To capture this impact, we have stated market based CO₂ equivalent figures for 2020. Despite a decrease in global in-house manufacturing

hours across the period, we see a decline in CO₂e from 12.8 to 8.9 t/1,000 hrs, equal to a 30% reduction.

- Water withdrawal has been reduced from 84.1 to 64.1 m³/1,000 hrs of in-house manufacturing hours and waste from 3.7 to 2.4 t/1,000 hrs) across the reporting period. This is a reduction of 24% and 35% respectively and results from improved monitoring and reduction programs across the Group.

Compliance

- A global initiative against corruption and bribery was rolled out in 2018. An e-learning program was developed and made compulsory for all employees with a Bühler email address and this coverage has been extended to include all former Haas Group employees. The roll-out has been extremely successful with 97% completion of the training achieved in 2020. During the reporting period there have been no fines for compliance issues above CHF 200,000 and the number of compliance cases has halved from 64 to 28 cases.
- The introduction of the Bühler Supplier Code of Conduct in 2017 has resulted in 80% of top suppliers having signed the Bühler Supplier Code of Conduct or having in place an equivalent industry standard code. The Bühler procurement team has actively engaged with suppliers to increase this from 50% in 2019 to 80% in 2020.

Innovation aligned to our goals

In 2019, Bühler increased its targets for impact in its customers' value chains from delivering a 30% to a 50% reduction in waste, energy, and water. It is critical to have the correct focus across the R&D portfolio to ensure that global R&D spend is focused on the correct topics.

- It is positive to see the increased focus on energy reduction during the reporting period, with R&D projects specifically targeting this covering 38% of the portfolio, a significant increase from 24% in 2015. It is also notable to state that this does not cover projects where energy reduction is not the target, but turns out to be another result of the project.
- To increase the yield of a plant and produce the maximum value from every kilogram of raw materials is economically important, but also contributes to reduce waste. The

increase in R&D focus on this topic has almost doubled during the reporting period from 22% in 2015 to consistently above 40% since 2017.

- Food Safety has gained significant visibility and priority in our company. Close to 5,000 employees have received food safety training and with this increased understanding and awareness we see that the 36% of Bühler's food-related R&D projects have a primary focus on improving food safety.
- The focus on operational safety has increased during the last four reporting years with 35% of the R&D portfolio having a primary focus on this topic. This coincides with the heightened awareness and focus on health and safety highlighted above.

At Bühler we are convinced that delivering against our targets will not be possible alone. Therefore, the company's R&D model was transformed to involve partners, to engage across value chains, and within ecosystems. During the reporting cycle, the number of R&D projects engaging partners has increased from 44% to consistently above 50%.

Bühler's innovation-culture transformation cannot rely only on external partnerships. It requires cross-functional and interdisciplinary engagement within the company. The biennial Innovation Challenge encourages and enables Bühler employees to contribute to the future of the company by creating business ideas that enable it to deliver against its targets. In 2020, a record high of 56% of our global employee base engaged in the program, delivering over 400 business ideas, of which six have received the green light for the teams to go into execution phase.

Engaged, informed employees and a culture of continuous learning

During the reporting period, the global employee databases have been evolving and final, full integration of the former Haas Group is ongoing, but the employee base represented in the 2020 report is 81% of our global salary base.

Percentage of training costs on a base of total personnel costs is maintained at target of 1% in 2020 and the number of annual training days per employee remains above the target of two. This reflects the strategy to enhance the quality of our career-long learning opportunities for our employees.

The training and development is managed in a global program of Employee Performance Management covering more than 90% of employees. A systematic implementation of succession planning with key positions at management level 1, 2, and 3 defined across the company and succession plans are in place in 95% of cases in 2020. Mirroring this, 4.3% of employees are identified as high potential and are developed and tracked.

The focus on gender diversity has maintained the percentage of female employees at 17%, however this figure

does not yet reflect the importance given to this topic. School and university programs, active support for women in STEM (science, technology, engineering and mathematics), viable female candidates required for key positions, and constant management attention is expected to result in a higher number of female employees in the coming years.

Partners in Food Solutions (PFS), an independent non-profit organization, is working to strengthen food security, improve nutrition, and increase economic development across Africa by promoting the competitiveness of the food processing sector, offers employees the opportunity to use their skills and experience to support small and growing food companies in Africa. Bühler employee engagement increased once more with 56 projects supported in 2020.

The Bühler apprentice scheme is embedded in the culture of the company and underpins its future success. Despite the uncertainty surrounding the economy in the wake of the global coronavirus pandemic, 64% of graduating apprentices were hired. The remainder all entered new career steps with the majority joining other companies or continuing academic studies and one becoming a professional athlete.

Bühler continues to become increasingly attractive as an employer and the number of applications per open position has almost doubled to 30 over the reporting period.

Commitment to transparency

Recognizing the importance of best industry practices and the need to undergo Corporate Social Responsibility (CSR) rating exercises recognized industry bodies such as EcoVadis, Carbon Disclosure Project (CDP) and the Drive Sustainability Programme as well as undergoing a number of certification programs, such as ISO 9001; ISO 14001; ISO 45001; SEDEX / SMETA 4-pillar.

- Each year since 2018, Bühler has received an increased score in the EcoVadis CSR rating. The EcoVadis assessment evaluates how well a company has integrated the principles of CSR into its business and management systems.
- CDP is a not-for-profit organization that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. Bühler participated in 2019 and 2020 in the annual CDP assessment (Climate Change).
- In 2019, Bühler passed the assessment, which, at time of publication, is still valid, of the Drive Sustainability program, an automotive partnership facilitated by CSR Europe between BMW Group, Daimler AG, Ford, Honda, Jaguar Land Rover, Groupe Renault, Scania CV AB, Toyota Motor Europe, Volkswagen Group, Volvo Cars, and Volvo Group.
- Bühler joined the World Business Council for Sustainable Development (WBCSD) as a member in March 2019 and engages in programs and initiatives such as the Food Reform for Sustainability and Health (FReSH) group. WBCSD is a global, CEO-led organization of over 200 leading

businesses working together to accelerate the transition to a sustainable world. WBCSD is uniquely positioned to work with member companies along and across value chains to deliver high-impact business solutions to the most challenging sustainability issues.

This material references as declared Disclosures 205-1 and 205-2 from GRI 205: ANTI-CORRUPTION 2016; Disclosure 302-3 from GRI 302: ENERGY 2016; Disclosure 303-1 from GRI 303: WATER 2016; Disclosure 305-4 from GRI 305: EMISSIONS 2016; Disclosure 306-2 from GRI 306: EFFLU-

ENTS AND WASTE 2016; Disclosure 308-1 from GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016; Disclosure 401-1 from GRI 401: EMPLOYMENT 2016; Disclosure 403-2 from GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016; Disclosures 404-1, 404-2, and 404-3 from GRI 404: TRAINING AND EDUCATION 2016; Disclosure 405-1 from GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016; Disclosure 416-1 from GRI 416: CUSTOMER HEALTH AND SAFETY 2016; Disclosure 419-1 from GRI 419: SOCIOECONOMIC COMPLIANCE 2016.

ECONOMIC SUSTAINABILITY

Key performance indicator (KPI)	Reference to GRI standards	Target 2020	Base year 2015	2016	2017	2018	2019	2020	Status
Number of Bühler sites audited on corruption prevention	Related to 205-1	≥ 10	8	9	11	4 ¹	8	8	●
Number of Bühler sites audited on fraud prevention	Related to 205-1	≥ 10	8	9	11	4 ¹	8	8	●
Percentage of employees with a Bühler email address who have attended the online training against corruption and bribery	Related to 205-2	100%	97%	92%	87%	62% ²	90% ³	97%	●
Number of whistleblowing cases	Additional	Best practice in definition with peers	11	5	2	10	6	5	○
Number of all compliance cases	Additional	Best practice in definition with peers	64	47	11	45	37	28	○

¹ Reason for decrease: Efforts were targeted toward upgrading Bühler's internal control system and launching a control self-assessment globally in order to improve identification of key risks and define risk-mitigation actions. ² Reason for decrease: The target group increased to include all employees with a Bühler email address. Previous years only covered employees with sales, purchasing, and management functions. ³ Scope: w/o former Haas Group.

Achieved vs. stated target ●
 Gap vs. stated target ●
 Not applicable ○

ENVIRONMENTAL SUSTAINABILITY

Key performance indicator (KPI)		Reference to GRI standards	Target 2020	Base year 2015	2016	2017	2018	2019	2020	Status
Energy consumption relative to productive in-house hours from manufacturing (GJ/1,000 hrs)	At the 17 major Bühler sites	302-3	30% reduction to base year	91.5	77.1	79.9	95.4 ^{1,2}	98.1 ⁴	100.6 ⁴	●
	At the 5 major sites from former Haas Group		–	NA	NA	NA	NA	NA	88.6	○
Water withdrawal relative to productive in-house hours from manufacturing (m ³ /1,000 hrs)	At the 17 major Bühler sites	Related to 303-1	30% reduction to base year	84.1	89.5	55.5	73.5 ^{1,3}	68.2	64.1	●
	At the 5 major sites from former Haas Group		–	NA	NA	NA	NA	NA	35.1	○
CO ₂ equivalents relative to productive in-house hours from manufacturing (t/1,000 hrs)	At the 17 major Bühler sites	305-4	30% reduction to base year	12.8 ⁷	10.8 ⁷	10.1 ⁷	11.8 ^{1,2,7}	11.7 ^{5,7}	8.9 ⁸	●
	At the 5 major sites from former Haas Group		–	NA	NA	NA	NA	NA	2.9 ⁸	○
Amount of waste (including material collected for recycling) relative to productive in-house hours from manufacturing (kg/1,000 hrs)	At the 17 major Bühler sites	Related to 306-2	30% reduction to base year	3,715	3,178	2,266	3,038 ^{1,2}	2,926	2,395	●
	At the 5 major sites from former Haas Group		–	NA	NA	NA	NA	NA	2,091	○
Amount of hazardous waste relative to productive in-house hours from manufacturing (kg/1,000 hrs)	At the 17 major Bühler sites	Related to 306-2	30% reduction to base year	246	151	153	454 ^{1,2}	305 ⁶	208	●
	At the 5 major sites from former Haas Group		–	NA	NA	NA	NA	NA	209	○
Percentage of top suppliers who have signed the Bühler Supplier Code of Conduct or have an equivalent code		Related to 308-1	100%	NA	NA	30%	40%	50%	80%	●
Percentage of R&D projects with a focus on improving energy efficiency per ton of end product or finished piece		Additional	≥70%	24%	29%	37%	35%	33%	38%	●
Percentage of R&D projects with a focus on improving product yield		Additional	≥50%	22%	29%	40%	42%	40%	41%	●

¹ Reasons for increase: improved data collection and quality. The decrease in productive in-house hours from manufacturing is reported against total site resource use. ² Additional reason for increase: significant construction and layout reorganization at the Bühler Uzwil site. ³ Additional reasons for increase: significant construction and layout reorganization at the Bühler Uzwil site. The exceptionally hot and long summer period in China increased water consumption at sites. ⁴ Absolute energy consumption remained the same or decreased but not more than the decrease in productive in-house hours in manufacturing. ⁵ CO₂e emissions decreased compared to energy consumption due to introduction of self-generated electricity from renewable resources in Changzhou, China. ⁶ Although reduced, the construction and layout reorganization at the major site of Bühler Uzwil, Switzerland, continued. ⁷ Scope 1 and 2 emissions. Location based method for purchased electricity. ⁸ Scope 1 and 2 emissions. Market based method for purchased electricity. In 2020, the scope 1 and 2 emissions (location based method for purchased electricity) are 12.4 [t CO₂e/1,000 hrs] at the 17 major Bühler sites and 5.2 [t CO₂e/1,000 hrs] at the five major sites from former Haas Group.

Achieved vs. stated target ●
Gap vs. stated target ●
Not applicable ○

SOCIAL SUSTAINABILITY

Key performance indicator (KPI)	Reference to GRI standards	Target 2020	Base year						Status
			2015	2016	2017	2018	2019	2020	
Percentage of terminations within the first 12 months of employment	Related to 401-1	≤5.0%	9.0% ¹	3.0% ¹	8.0% ¹	5.8% ¹	5.0% ¹	8.6%	●
Percentage of terminations within the first 3 months of employment	Related to 401-1	≤1.0%	1.0% ¹	2.0% ¹	4.0% ¹	3.5% ¹	3.0% ¹	2.6%	●
Percentage of employee turnover	Related to 401-1	≤8.0%	8.0%	7.5%	8.3%	9.1%	8.5%	11.8% ⁸	●
Number of work-related injuries per 100 permanent employed full-time employees ²	Related to 403-2	0	2.9	2.9	2.3	2.3	1.4 ³	0.9	●
Sickness-related absenteeism (days per employee and year) ¹	Related to 403-2	0	2.0	3.8	2.4	5.8 ⁴	5.4	5.7	●
Percentage of training costs over total personnel costs	Related to 404-1	≥1.0%	1.2%	1.9%	0.9%	1.5%	1.0% ³	1.0% ⁵	●
Number of training days per full-time employee per year	Related to 404-1	≥2.0	2.0	2.3	1.9	2.0	2.1 ³	2.1 ⁵	●
Number of employees who have received training in food safety since 2013	Related to 404-2	≥3,000	498	1,572	1,884	2,284	3,256	4,992	●
Percentage of employees who go through the Employee Performance Management process each year ³	404-3	≥80%	80%	86%	89%	93%	91%	92%	●
Percentage of employees who are high potentials ³	Related to 404-3	≥5.0%	2.8%	3.1%	3.2%	3.0%	5.2% ⁴	4.3%	●
Percentage of apprentices who are hired subsequent to their apprenticeship ⁶	Related to 405-1	–	77%	71%	73%	73%	71%	64%	●
Percentage of female employees ⁷	Related to 405-1	≥20%	15%	16%	15%	16%	17%	17%	●
Percentage of R&D projects in food businesses with a focus on improving food safety	Related to 416-1	≥50%	28%	29%	34%	42%	34%	36%	●
Percentage of R&D projects in food businesses with a focus on improving nutrition	Related to 416-1	≥20%	8%	10%	23%	13%	11%	10%	●
Percentage of R&D projects with a primary focus on improving operational safety	Related to 416-1	≥50%	48%	43%	22%	24%	26%	35%	●
Number of relevant fines for compliance issues (>CHF 200,000)	Related to 419-1	0	0	0	0	0	0	0	●
The key positions for the senior functions at management level 1, 2, and 3 have been defined, and potential successors have been determined	Additional	100%	100%	80%	88%	90%	90%	95%	●
Percentage of employees participating in the Bühler Innovation Challenge (run every two years)	Additional	–	NA	32%	NA	45%	NA	56%	●
Percentage of implemented business ideas from the Bühler Innovation Challenge (run every two years)	Additional	–	NA	2.0%	NA	1.5%	NA	1.4%	●
Percentage of R&D projects run in collaboration with partners (suppliers, customers, universities)	Additional	≥50%	44%	47%	53%	51%	57%	54%	●
Number of applications received per open position	Additional	≥30	16 ¹	23 ¹	22 ¹	25 ¹	43	30	●
Number of projects supported by Bühler employees in volunteer programs such as Partners in Food Solutions	Additional	≥10	NA	NA	12	22	50	56	●

¹ Scope: Bühler AG, and until their fusion on January 1, 2020 also Bühler Management AG, in Switzerland only. Due to globally heterogeneous human resource systems, the data for these KPIs were/are not reported across the entire company. ² Scope: sites with manufacturing only. ³ Scope: w/o former Haas Group. ⁴ Reason for increase: improved data quality and stricter reporting. ⁵ Scope: former Haas Group is partially integrated. ⁶ Scope: Bühler AG in Switzerland only. ⁷ Comprehensive Diversity & Inclusion program was kicked off in 2018. ⁸ Voluntary leavers, 5.4%

Achieved vs. stated target ●
Gap vs. stated target ●
Not applicable ○

A STAKEHOLDER PERSPECTIVE

Setting up a program for the upcoming 5 years is an important moment to reflect and to adjust course. Who better to provide perspective than global stakeholders?

The Bühler Sustainability Team asked stakeholders, internally and externally, to share their perspective on the company's biggest impact areas. Balancing the needs of economy, humanity, and nature, 48 topics were predefined. The team started with the classic material assessment topics based on the GRI standard and strongly individualized them to have a true fit for Bühler's business. The goal was to lower the risks of blind spots and increase global reach, therefore customers, various business areas and functions, partners from NGOs, and academia were all taken into account.

These three questions guided through each topic:

1. How significant is the impact of Bühler in these topics?
2. How significant is the impact of these topics on Bühler?
3. How important is it for you that Bühler targets these topics?

Here are the highest ranked topics in the areas of economy, humanity, and nature.

The top four for economy:

1. Assessment of corruption risks and incidents in operations
2. Designing sustainable solutions
3. Ethical non-compliance reporting
4. Addressing customers' concerns related to sustainability

The top three for humanity:

1. Zero tolerance towards discrimination
2. Zero tolerance towards human rights violations
3. Ensuring equal and fair payment

The top four for nature:

1. Energy consumption reduction within the value chain
2. Reducing greenhouse gas emissions in the value chain
3. Waste reduction within the value chain
4. Water usage reduction within the value chain

Based on these priorities, we are readjusting our KPIs and are steering our actions the next 5 years.

To see the detailed results of this analysis, please refer to the [Materiality Assessment](#).

Impacts of Bühler and perception of all stakeholders

