



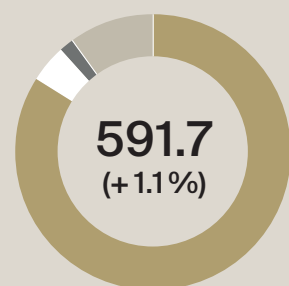
Annual Report 2024

V-ZUG Group

Key figures 2024

V-ZUG Group increases sales and notably profitability

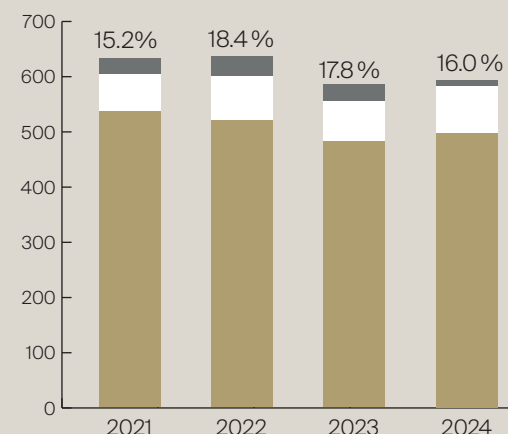
Net sales in total and by region
in CHF million



International Markets share 16.0 %

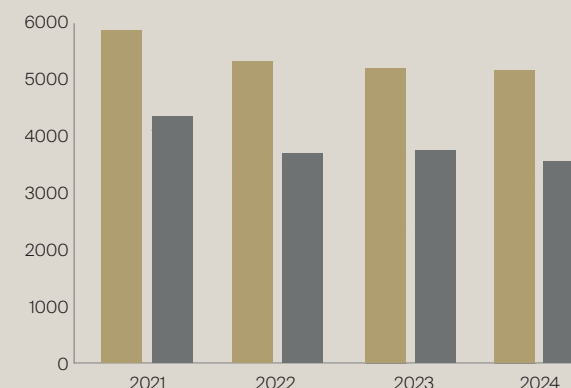
- Switzerland **496.8**
- Europe (excluding Switzerland) **26.8**
- North and South America **9.5**
- Asia / Pacific / Others **58.6**

Net sales 2021–2024
in CHF million



- Switzerland
 - International own brand
 - International OEM business
- % International Markets in % of total net sales

CO₂ emissions 2021–2024
Scope 1 and 2, in tonnes



CO₂ emissions 2023–2024: -5.4 %

- Location-based method
- Market-based method

25.3 (+50.8%)
Operating result (EBIT)
in CHF million

1.8 (-90.1%)
Free cash flow
in CHF million

53.8 (-21.3%)
Investments (Capex¹⁾)
in CHF million

¹⁾ "Capex" refers to additions to tangible and intangible assets.

2,086 (+1.0%)
Employees
as at 31.12. (FTEs)

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Oliver Riemenschneider
 Chairman of the Board of Directors

Peter Spirig
 Chief Executive Officer

Letter to shareholders

Zug, 6 March 2025

Dear Shareholders

In our competitive industry, it is crucial that we differentiate ourselves and highlight our uniqueness: our recent investments in the development of innovative products and our targeted market development are aligned with this differentiation. By drawing on our in-depth understanding of client needs and the market, we have developed products and solutions that further strengthen our position.

At the same time, we have worked on optimising our internal processes to remain competitive in a fast-changing environment. We are doing this as part of our “Simplify V-ZUG” initiative. The introduction of lean workflows has already enabled us to make progress and will further enhance our ability to respond quickly and flexibly to market demands in the future.

With these measures, we have further strengthened our foundation for sustainable growth and long-term success. This is only possible thanks to our employees, who give their best every day. We greatly appreciate their commitment and perseverance.

In 2024, demand developed positively for the first time since 2022. The distortions of previous years are decreasing. Although challenges such as persistently high purchasing prices, geopolitical uncertainties and high inflation remained, the demand situation gradually recovered. We are confident that the market will continue to stabilise and consider ourselves well positioned for a sustainable recovery.

Sales and earnings notably increased

The remaining inventory in the previous year and the beginning of the year was largely reduced, which had a positive effect on net sales. Thanks to our differentiation strategy, the sales volume was increased. Net sales in the past financial year amounted to CHF 591.7 million (previous year: CHF 585.4 million, +1.1%, currency adjusted +1.5%). The market situation improved increasingly in the second half of 2024.

The operating result (EBIT) increased overall by 50.8% to CHF 25.3 million (previous year: CHF 16.8 million). The EBIT margin increased to 4.3% (previous year: 2.9%). It amounted to 5.4% in the second half of 2024. The improvement was achieved due to an improved gross margin and consistent cost control. The Group net result rose overall by 83.2% to CHF 21.4 million (previous year: CHF 11.7 million).

Cash flow from operating activities was CHF 58.0 million in the reporting year (previous year: CHF 80.5 million). It primarily decreased because trade receivables, which had significantly declined in the previous year, remained stable in the reporting year. At the same time, our inventory was further optimised, as it was in the previous year. Despite high investments in the site transformation, the cash flow after investing was a remarkable CHF 1.8 million (previous year: CHF 18.2 million). Thanks to the positive free cash flow, no third-party financing was necessary in the reporting year.

The balance sheet of the V-ZUG Group as of 31 December 2024 continues to be very solid with an equity ratio of 76.4% (previous year: 74.9%) as well as cash and cash equivalents of CHF 83.5 million (previous year: CHF 81.0 million).

2024 review: market development in Switzerland and internationally

The Swiss market showed positive development after turbulent years. Net sales increased by 3.2% to CHF 496.8 million, with renovations and replacement appliances developing positively, while new constructions remained rather subdued. V-ZUG regained market share. Despite the positive development in the own-brand business (+15.8%), net sales in the International Market decreased by 8.8% overall. Net sales increased significantly in the Asia/Australia markets, but only marginally in Europe. Deliveries to our OEM partner in North America fell significantly behind 2023 due to their inventory reductions. V-ZUG further expanded its presence in international metropolitan areas and opened new studios in Hamburg, Berlin, Milan and Sydney.

Product innovations and technological progress

In 2024, new household appliances were introduced in the kitchen area to expand the Excellence Line and Advanced Line. Of particular note are the “Combair V600” oven and the “Cooler V2000” fridge, which combine Swiss engineering and design. The new generation of Adora dishwashers sets new standards for comfort, precision and energy efficiency.

The Service & Support department has developed stably and benefited from optimised digital processes. The V-ZUG app has been further developed and now offers a wide range of new

features and content. V-Upgrade received a lot of media attention during the reporting year, although it has been appreciated by many customers for a long time. In general, all V-ZUG appliances have all basic functions. It allows tenants to install additional special programmes independently of the landlord. V-Upgrade covers special needs and stands apart from the free update service, which regularly introduces new features.

Investments in the Swiss industrial sector

The construction of the new “Zephyr Ost” production building was completed and handed over to V-ZUG in the first quarter of 2024. This marks the completion of all buildings required for production, which will increase efficiency in the coming years. In 2024, numerous production-related facilities and workplaces were moved to the “Zephyr Ost” building. The move will be completed with the transfer of the last assembly line in spring 2025. With the completion of “Zephyr Ost”, V-ZUG has invested over CHF 300 million in the Swiss industrial landscape over the last eight years. The modern infrastructure enables efficient production and enduring attractive employment opportunities in Switzerland. The preliminary project for the new office building “Zephyr West” began during the reporting year; this building marks the final step in the transformation of the Zug site.

Commitment to sustainability: our path

Decarbonisation was further advanced. V-ZUG reduced direct emissions by 5.4% in the reporting year. V-ZUG has been producing carbon-neutrally in Switzerland, including compensation, since 2020.

V-ZUG is making progress along the path from the recycling economy to the circular economy. The circular pilot factory, where used devices are refurbished or dismantled, was further developed in the reporting year and its scaling has started. Our “Product as a Service” business model was expanded and is now available for the entire product range (kitchen and laundry room). This involves providing appliances for use rather than selling them. V-ZUG remains responsible throughout the entire life cycle.

New appointments on the Executive Committee

The V-ZUG Group appointed Marcel Feurer as Chief Swiss Market Officer (CSMO) and Member of the Executive Committee effective 15 May 2024. He brings many years of experience in sales, service and business development in the B2B and B2C business in Switzerland and abroad.

Wolfgang Schroeder was appointed as Chief Technology Officer (CTO) and Member of the Executive Committee effective 1 July 2024. Wolfgang Schroeder joined V-ZUG in October 2021 as Head of Digital Transformation & Business Development. He has extensive experience in product and portfolio management, digitalisation, innovation, strategy and marketing in B2B and B2C business.

After five years as CEO of the V-ZUG Group, Peter Spirig will leave the company in the second quarter of 2025. His successor Christoph Kilian will succeed him as of 1 April 2025. After previously working at Bain & Company, he held various management roles at BSH Hausgeräte GmbH from 2000 to 2023. In 2019, he transitioned to Robert Bosch Powertools as CEO of the Accessories Division and has been a member of the Board of Management since 2023, responsible for three global business units as well as UX and design.

Proposal for a dividend and a distribution from capital reserves

In view of the improved operating performance, positive cash flow and the solid balance sheet, the Board of Directors will propose an ordinary dividend to the Annual General Meeting as well as a tax-free distribution from capital reserves each amounting to CHF 0.45 per share; this totals CHF 0.90 per share. This would be the first distribution since the public listing in 2020 and after significant investments at the Zug and Sulgen production sites.

2025 outlook

Global uncertainties remain, but inflation has stabilised with declining interest rates. We expect consumer confidence to gradually recover. The real estate sector in Switzerland could be revitalised to some extent. The demand for energy-efficient products is supported by increasing environmental awareness. V-ZUG is optimally positioned to further increase market share. We are focusing on the continuous further development and platforming of our product portfolio, an additional increase in customer satisfaction through value-adding services and ongoing internationalisation. Our focus is on quality, innovation and positioning. In 2025, we expect net sales and profitability to improve further. We remain committed to our medium-term targets, including a sales growth of 3% p.a. and an EBIT-margin of 10-13%.

A new terms and conditions model has been applied to our distribution partners since January 2025. The terms and conditions of purchase and the sales support services provided by our distribution partners are based on an objective evaluation of all services provided for the V-ZUG brand, including presentation, consulting and growth. This model takes various business models into account so that distribution from a physical location, with or without goods on display, wholesale distribution and online sales can coexist well alongside one another.

As presented at the 2024 Annual General Meeting, the remuneration system of V-ZUG will be adapted throughout the company to support strategic and cultural development and align more closely with corporate and shareholder interests. This is outlined in detail in the Compensation Report.

We express our sincere thanks

Thanks to the dedicated efforts and solution-oriented work of our employees, we have achieved a lot this year. We are proud of our collective successes and would like to thank each individual employee for their great commitment and the resulting contribution to the further development of V-ZUG.

We would like to thank our customers for the trust they place in us and for the valuable collaboration. We look forward to continuing to stand by your side in the future.

Last but not least, we thank you, our valued shareholders, for your continuing trust and support. Your commitment and long-term perspective are crucial. We greatly appreciate this and will continue to do everything we can to lead V-ZUG into a successful future.



Oliver Riemenschneider
Chairman of the Board of Directors



Peter Spirig
Chief Executive Officer

The V-ZUG Group

Organisation and global presence

V-ZUG is Switzerland's leading brand in household appliances. For over 110 years, V-ZUG has been developing and manufacturing kitchen and laundry appliances at its site in Zug, Switzerland, as well as refrigerators in Arbon and Sulgen, Switzerland, since 2013 and 2022 respectively. V-ZUG also produces special pre-assembled components for its appliances in Changzhou, China. V-ZUG is the market leader in Switzerland and also markets its premium products in a select number of international markets, focusing on affluent metropolitan areas. It provides comprehensive, high-quality service across all its markets. In addition to its headquarters in Switzerland, the V-ZUG Group has distribution companies in the EU, the UK, Australia, China, Hong Kong, Singapore, Thailand and Vietnam. V-ZUG also serves additional markets as an OEM partner and has well-established distribution partners in other international markets.

The V-ZUG Group currently employs around 2,100 people worldwide and is divided into the Household Appliances and Real Estate segments. The Household Appliances segment encompasses the company's operations relating to the development, production, marketing, sales and service of household appliances. The Real Estate segment comprises the properties of the V-ZUG Group and consists of the northern operations section of the Tech Cluster at the Zug site and properties in Sulgen (refrigerator factory building and existing production and office buildings rented to third parties). V-ZUG Holding AG is listed on the Swiss stock exchange and has its own "Corporate" reporting segment.



V-ZUG headquarters

V-ZUG subsidiaries

V-ZUG partners/distributors

The legal group structure is detailed on p. 101 of the Financial Report in the appendix containing the consolidated financial statements.

Products and services

On average, at least one V-ZUG appliance can be found in every Swiss home. The ovens, steamers, hobs, extraction fans, washing machines, dryers, dishwashers and refrigerators stand for long-lasting and innovative Swiss quality. In Switzerland, net sales are generated in new construction, renovation and replacement business respectively. Service and support represent an integral element, as do digital offers and service agreements. While the upper mid-range and premium segments are served in Switzerland, in its international business V-ZUG focuses exclusively on the premium segment with its metropolitan strategy.

The V-ZUG brand has always been synonymous with innovation, longevity and reliability. These values are firmly embedded in V-ZUG's culture and are reflected in the vision, mission and core values. Sustainability is a key aspect of V-ZUG's brand promise. The development of resource-efficient appliances is particularly important in this context. Following a holistic approach to sustainability, this is about how products are manufactured and how customers use them. V-ZUG thus invests in state-of-the-art production equipment and sustainable energy systems.

Strategic transformation

The strategic transformation of V-ZUG focuses on five pillars:

- **Product portfolio:** Product portfolio management involves the continuous development, streamlining and, in particular, differentiation of the portfolio. This ensures alignment with constantly changing client needs at all comfort levels, as well as efficient production. All V-ZUG products stand out and are characterised by their technology, design, sustainability and longevity. This provides the basis for successful market development and penetration. V-ZUG customer service plays a decisive role throughout the entire product lifecycle.

- **Brand strategy:** With its unique, high-quality products, V-ZUG clearly positions itself in the mid-range and upper segment for household appliances. In August 2024, V-ZUG once again conducted a survey of Swiss consumers throughout the country. Out of the respondents, 60 % stated that V-ZUG would be their first or second choice if they were to buy a kitchen or washing machine. At +7 %, this figure is significantly higher than the previous year's figure. The main reasons for preferring the V-ZUG brand are quality, brand confidence and customer service. V-ZUG is also perceived as a leader in innovation and design. This confirms the effectiveness of the differentiation strategy.
- The **internationalisation** of V-ZUG is progressing further. The main focus is on metropolitan areas with commensurate purchasing power. Last year, V-ZUG opened new showrooms in the metropolitan areas of Milan, Sydney, Hamburg and Berlin, further increasing the company's global reach.
- **Digitalisation:** The V-ZUG app is further developing into a genuine "life companion" in the home. A user-friendly interface and a range of new features have resulted in a record-high number of regular users for the app. The V-Kitchen digital cooking assistant is also very popular. Since August 2024, V-ZUG diagnostics have been setting new standards. Specialist retailer partners benefit from precise diagnoses and optimised repair processes. The platform reduces returns and increases cost efficiency and sustainability.
- **Site transformation:** The basic fit-out for the new "Zephyr Ost" production building was completed in the first quarter of 2024. Many production facilities and jobs have been relocated, and the move will be completed in 2025. This major project is an important step towards reducing the site footprint of the production area while increasing both production capacity and efficiency. It likewise demonstrates the commitment to Switzerland as a production site. The preliminary project for the "Zephyr West" office and laboratory building began during the reporting year.

Sustainable development will be pursued further in the following key areas: products and services for a future-fit society, resilient and committed employees, environment and climate protection, and entrepreneurship for sustainable prosperity. This is covered in detail in the non-financial reporting.

Household Appliances segment report



The Household Appliances segment

The Household Appliances segment encompasses the operational business for the development, manufacturing, sale and service of high-quality kitchen and laundry appliances for private households. This business is managed by the Executive Committee of the V-ZUG Group. The segment comprises V-ZUG AG and its subsidiaries in Switzerland and abroad (see overview on p. 7).

The segment offers comprehensive services and support for all products in Switzerland and the International Market. In the Swiss domestic market, a total of around 300 service technicians work for V-ZUG AG and SIBIRGroup AG. Over 20 service locations act as a base and also provide physical proximity to customers. V-ZUG is continuously expanding its range of services in the International Market. Globally, more than 90% of service calls are managed successfully on the first customer visit.

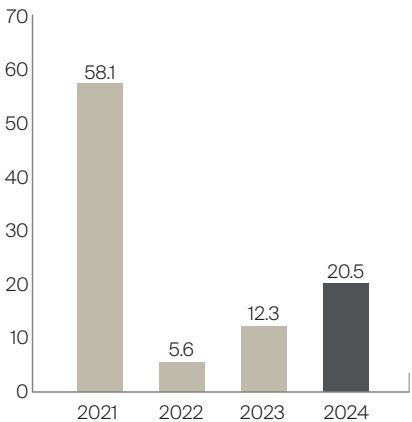
The segment employs around 2,078 employees in total, including 93 apprentices.

Overview of the 2024 financial year

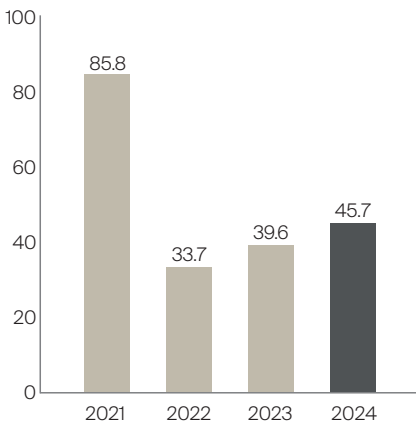
In the reporting year, net sales increased to CHF 591.7 million (previous year: CHF 585.4 million), 1.1% higher than in the previous year (currency adjusted +1.5%). This development was characterised by different, sometimes contradictory factors: while the market situation in Switzerland gradually improved, performance abroad was mixed. Net sales increased significantly in the Asia/Australia markets, but only marginally in Europe. Deliveries to V-ZUG's OEM partner in North America remained significantly behind 2023 due to their inventory reductions.

Operational productivity, measured by the EBITDA margin (EBITDA in % of net sales) increased to 7.7% (previous year: 6.8%). The operating result (EBIT) improved to CHF 20.5 million (previous year: CHF 12.3 million). The EBIT margin (EBIT in % of net sales) accordingly amounted to 3.5% (previous year: 2.1%).

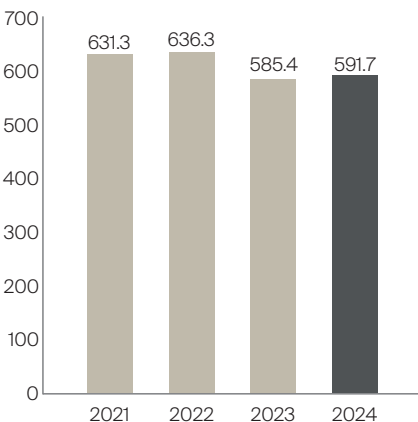
EBIT (in CHF million)



EBITDA (in CHF million)



Net sales (in CHF million)



Slight market recovery accompanied by further efficiency gains

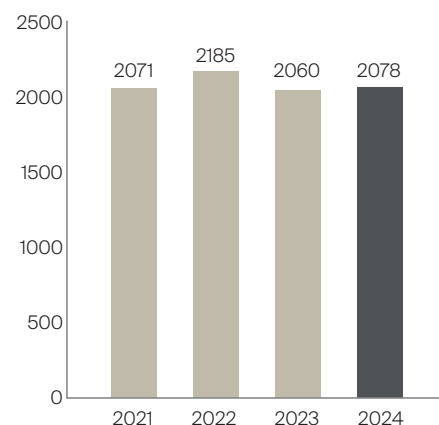
The exceptional effects of the extraordinary economic development since 2021 due to the pandemic and supply bottlenecks in 2022, along with the resulting increase and then gradual reduction in inventory in 2023 and 2024 among V-ZUG partners, have normalised considerably. In the reporting year, V-ZUG gradually returned to the planned growth trajectory. Marketing spending was increased accordingly to benefit from the market upturn.

Production was also characterised by countervailing developments in the reporting year. Efficiency gains were achieved at the production facility in Sulgen, while the main production site in Zug was still in the middle of its transformation. During the moving-in period, intentional overlaps have been accepted to ensure that customers can be assisted at all times within a reasonable period of time. The move to the production building “Zephyr Ost” will be completed by mid-2025 allowing production capacity and utilisation to be optimised further and costs to be managed consistently. The initiative “Simplify V-ZUG” will be continued and integrated into everyday operations. Its purpose remains that of examining established structures, processes, products and services on an ongoing basis in order to simplify them while maintaining product, delivery and service quality.

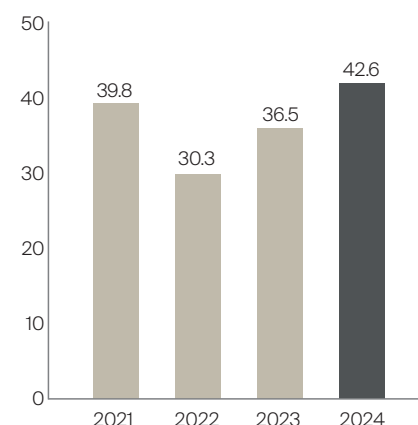
The costs for research and development in the reporting year decreased to CHF 44.2 million (previous year: CHF 50.0 million). The decline was driven by organisational shifts to marketing and sales, as well as to administration. Additionally, the “Simplify V-ZUG” initiative led to streamlined processes and the elimination of redundancies, resulting in cost savings.

Investments (capex) in the “Household Appliances” segment increased to CHF 42.6 million (previous year: CHF 36.5 million). This increase is attributed to targeted investments in manufacturing, service infrastructure, and digital transformation.

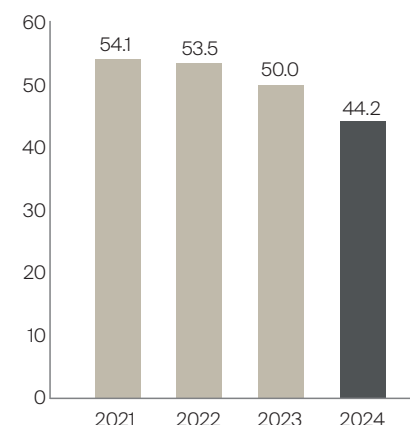
Employees as at 31.12. (FTEs)



Capex (in CHF million)¹⁾



R&D costs (in CHF million)²⁾



¹⁾ See also Capex for the Real Estate segment (p. 17)

²⁾ The R&D cost are lower vs. previous year due to organisational shifts to marketing & sales and administration, and “Simplify V-ZUG”

Favourable development on the Swiss market

During the reporting year, the Swiss market showed a positive trend, whereas Switzerland's residential construction sector and demand for consumer goods recovered only gradually during the reporting year. Renovations, which account for just over a third of sales at V-ZUG, rose slightly again. New construction activity, which now accounts for less than a third of sales due to delayed planning approval procedures, remained subdued. On the other hand, the replacement business – representing a further third of net sales – was stable.

During the reporting year, net sales increased by 3.2% to CHF 496.8 million (previous year: CHF 481.4 million), thus reflecting the overall slightly positive performance of the economy as a whole as well as internal, sales promotion measures. Adjusted for the special effect in the previous year, 2023, caused by the making-up of supply backlogs in 2022, growth was around 7%. In the 2024 reporting year, V-ZUG launched several differentiated products and optimised its sales process, resulting in stronger growth compared to the overall Swiss household appliances market. This targeted growth was accompanied by pricing discipline and consistent cost management. In 2024, V-Zug was once again present at a large number of various partner and customer events as well as trade fairs.

V-ZUG Studio in Zurich

The construction of our urban V-ZUG studio at Uraniastrasse in Zurich is making strong progress. From spring 2025, customers, guests and partners will be able to experience V-ZUG's products in an inspiring and sophisticated atmosphere also in Zurich centre.

SIBIRGroup: regained stability

The SIBIRGroup specialises in all-brand repair services throughout Switzerland. Its customer base primarily consists of institutional real estate managers, private home owners, and condominium owners.

The previous year's ransomware attack continued to pose challenges for the company in the reporting year. Critical IT systems had to be rebuilt and extensive security measures implemented, which led to delays and increased communication efforts. Nevertheless, paused customer relationships were restored, and new business customers were gained.

International: positive development in the own-brand business

Despite the positive development in the own-brand business (+15.8%), net sales in the International Market decreased to CHF 94.9 million (previous year: CHF 104.1 million), corresponding to –8.8% or –6.6% currency adjusted. Net sales in the own-brand business rose to CHF 85.1 million (previous year: CHF 73.5 million). Currency adjusted, this corresponds to an increase of 18.8%. Asia and Australia saw a significant upturn, while business in Europe grew slightly. The OEM business focused on North America has been characterised by extreme volatility in the past two years. During the reporting year, net sales declined to CHF 9.8 million (previous year: CHF 30.6 million, –67.8%). This was due to a very low level of order intake from our US partner following exceptionally high orders in previous years due to global supply chain problems and changes in the product range, which accordingly led to an expansion of their inventory of equipment and spare parts. This was systematically reduced in the reporting year, so sales are expected to normalise in 2025.

V-ZUG further expanded its presence in selected international metropolitan areas. The premium positioning of V-ZUG's products and services with tangible customer benefits enables it to present a unique value proposition. In 2024, the presence of V-ZUG in Europe was further strengthened with the opening of V-ZUG studios in Hamburg, Berlin and Milan. In addition, the entry into the Spanish market in conjunction with a distribution partner was completed in September. In order to support expansion into the Australian market, the V-ZUG studio was opened in Sydney in May. Besides the studios, targeted local and global events – such as Salone del Mobile in Milan – also further increased international awareness of V-ZUG.

Responsibility meets luxury

The Aurora development on Manly beachfront in Sydney, enabled by Royal Far West, features 58 luxury apartments designed by renowned Australian architects Glenn Murcutt AO and Angelo Candalepas. The interiors, crafted by Carr Design, draw inspiration from Manly's natural landscape. V-ZUG appliances were chosen for their minimalistic design, superior performance and precision, which align with the project's high standards and commitment to sustainability. V-ZUG's dedication to low energy and water consumption, along with a market-leading warranty, ensures peace of mind for residents. Royal Far West uses the proceeds from this housing project to support its primary mission of improving the health and wellbeing of Australia's rural children.

Products and services: differentiated and pioneering

In 2024, V-ZUG introduced new household appliances to further enhance the Excellence Line and the Advanced Line. These products, which are developed and manufactured with the utmost precision in Switzerland, underscore V-ZUG's commitment to "Made in Switzerland" quality.

Product launch in the mid-range segment

In Switzerland in particular, the tenant and apartment building market plays a central, strategic role for V-ZUG. This market is mainly served by the "Mid-Range" product line, known for its balanced price-performance ratio and user-friendliness.

At a time when inflation is leading to higher cost pressures for some customers, V-ZUG rolled out the "Combair V600", an oven that combines Swiss engineering, technology and design; perfect for households that appreciate these attributes and do not wish to compromise on price-performance ratio. This oven combines an intuitive digital display with easily operable, user-friendly rotary dials. Thanks to its precise baking performance, it fulfils the customer's need for everyday simplicity and efficiency. V-ZUG's design and quality are the core focus.

The expansion of this product line will be pushed forward over the coming months to cater to the growing requirements of the market. With a clear focus on the mid-range segment and the successful launch of the new product, V-ZUG is ensuring that it will still be able to operate successfully in a key market segment in future and further strengthen its position.

Another product that stands for Swiss precision is the new "Cooler V2000 178 FGI/GI". The flexible, energy-efficient fridge is equipped with a modular bottle drawer or an extra-large rack, offering a wide range of storage options. This innovative model has been developed and is produced entirely at the Swiss production site in Sulgen – an expression of V-ZUG's commitment to the highest quality standards. Alongside reliable customer service and confidence in the V-ZUG brand, this is one of the most common reasons why customers choose a V-ZUG appliance.

The new generation of "Adora" dishwashers is also being developed and manufactured in Switzerland. Through an extensive development and design process, it provides unparalleled convenience and precision along with remarkable flexibility. The optimised interior with high-quality silver metallic baskets is functional and user-friendly. Delicate glasses and crockery are treated gently while being thoroughly cleaned. Adora dishwashers are real trail-blazers thanks to their precise technology and sophisticated programs that use low amounts of energy and water. These innovations are an important part of the continuous development of V-ZUG, with the aim not only of securing market share but also setting new standards for comfort, energy efficiency and design.

With this comprehensive range of innovations rooted in the Swiss tradition of quality and precision, V-ZUG is continuing to make a significant contribution to shaping the daily lives of customers in both convenient and sustainable ways while at the same time fulfilling the most exacting design and functionality requirements. In 2024, V-ZUG was the first choice for more than a third of respondents (brand of choice) – an increase of 5 % compared to the previous year. V-ZUG is thus far ahead of other providers, which underscores customer confidence in the V-ZUG brand.

Stable development in the service business

The Service & Support division has developed stably and benefited from optimised digital processes. This has enabled customer queries to be processed as quickly as possible. Customer satisfaction is regularly assessed through direct surveys, for which the Net Promoter score (NPS) is also calculated. The survey results show a high level of satisfaction among V-ZUG customers. Eight out of ten customers would recommend V-ZUG's services without reservation, underscoring the quality and high standard of customer service.



V-ZUG Studio in Hamburg

Digitalisation

Based on a fundamental technical overhaul of the V-ZUG app, work began in 2023 on developing the app into a “life companion” in the home. A new user interface, together with a host of new features and content, has resulted in a record-high number of regular users for the app. The digital cooking assistant “V-Kitchen” also continues to enjoy great popularity and has not only attracted a lot of new users but also new partners.

V-ZUG app

Intelligently networked: The V-ZUG app lets users control their V-ZUG appliances anytime, anywhere. The app can be used to send numerous seasonal recipes directly to the appliance, which simplifies the cooking process and delivers perfect results. Recipes and recommendations can be saved as favourites in the app with a single click, making them quick and easy to access at any time. Many optimisations in the user navigation, appliance onboarding and the perceived quality are reflected in the high number of positive app ratings in the app stores. Last year, we enhanced the app with various additional functions. Users can now view a list of functions for each connected appliance from the appliance detail page, which explains the appliance program and in some cases also includes video support. Error diagnosis proactively displays error messages from an appliance and provides precise instructions for rectifying them. These new functions are very popular and enable users to quickly access relevant information while operating the appliance with just a few clicks. We are currently developing numerous innovative functions, particularly in the area of washing and drying, and are convinced that our customers will be enthusiastic about these exciting innovations.

V-Upgrade

The “V-Upgrade” offering enables users of V-ZUG dishwashers, washing machines and dryers of the Adora line to purchase additional operating functions and programs outside the standard programs. Users with Apple devices can now use V-Upgrade subscriptions via Apple’s in-app purchasing system. This means that customers can personalise their household appliances when using them and adapt them to changing needs. With this approach, we are responding to the rising demand for greater flexibility and personalisation options, especially for tenants, who are usually not involved in the selection of the appliances or their comfort levels. Appliances with the highest comfort level, i.e. V6000 appliances, already feature all programs and functions, meaning that no “V-Upgrades” are required.

V-Kitchen

The innovative “V-Kitchen” cooking app combines smart features with tried-and-tested recipes from selected cooking experts. The unique ecosystem, consisting of chefs, food bloggers, influencers and partners such as TipTopf, Annemarie Wildeisen or Marcel Paa, offers tips on a range of diet topics and suitable recipe inspirations. Moreover, “V-Kitchen” uses AI and algorithms for personalised recipe recommendations. The app provides support in weekly planning and sends information about preparing a certain dish directly to the V-ZUG oven or steamer. The app can also create shopping lists for particular dishes or a whole week of groceries and, if the user chooses, also allows an order to be submitted directly to a connected online shop. To increase the app’s reach, “V-Kitchen” is now also available online at www.v-kitchen.ch.

V-Connect

“V-Connect” is the innovative service optimisation solution for property managers and caretaker staff that simplifies fault reports and the repair process. “V-Connect” enables caretaker staff to access the appliance data of V-ZUG household appliances. Should a fault occur, measures to rectify it are shown in the mobile app. If specialist personnel are required to eliminate the fault, the app offers the option to book a service call by our service technicians to repair the V-ZUG household appliance on site. The caretaker can also send the diagnostics data of the affected household appliance to V-ZUG Service, who can use this data to prepare effectively for the service call – thanks to remote analysis.

V-ZUG diagnostics

Since August 2024, V-ZUG diagnostics have been setting new standards for appliance diagnostics. Specialist retailer partners with service organisations benefit from precise, rapid diagnoses and optimised repair processes, thereby increasing operational efficiency and successful service outcomes. The innovative platform reduces the returns rate and maximises cost efficiency and sustainability. With the new diagnostic tool, the company is introducing a licence model that provides greater flexibility and enables cost planning.

Over 40 % of business customers in Switzerland are already successfully using the V-ZUG diagnostic tool. The platform is being continuously developed to provide users with new features and updates on a regular basis.

Real Estate segment report



The Real Estate segment

The Real Estate segment encompasses V-ZUG Infra AG and V-ZUG Assets AG as real estate companies or companies with land and building property in the V-ZUG Group. The two companies largely comprise the production sites of the V-ZUG Group; they are not active in operations and do not employ any personnel of their own. Operational management is overseen by Managing Director Christina Annen, who is also CEO of Tech Cluster Zug AG. Tech Cluster Zug AG, a company of the Metall Zug Group (an independent listed group), undertakes the development, construction and renovation, management and operation of real estate and infrastructure.

Statutory control of the two real estate companies V-ZUG Infra AG and V-ZUG Assets AG is the responsibility of the respective Boards of Directors; strategic management is the responsibility of the Executive Committee and Board of Directors of V-ZUG Holding AG. Adrian Ineichen (CFO), a representative of the Executive Committee of the V-ZUG Group, holds responsibility as Head of the Real Estate segment.

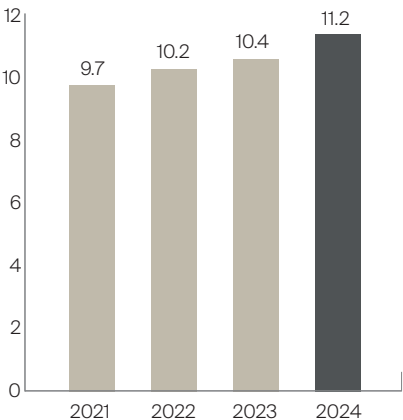
Overview of the 2024 financial year

Income in the Real Estate segment is primarily generated from the intercompany rental of buildings and the operational maintenance of infrastructure – both of which are largely generated with V-ZUG AG. At CHF 11.2 million, the EBITDA in the 2024 reporting year was 8.0% higher than the level of the previous year (CHF 10.4 million). The operating result (EBIT) amounted to CHF 6.2 million – also slightly higher (+ 4.8% than in the previous year (CHF 5.9 million). The investments in the reporting year amounted to CHF 11.2 million, 64.9% below the level of the previous year (CHF 31.9 million), largely due to the fact that the “Zephyr Ost” building was mainly built in 2023 and was only completed in the reporting year.

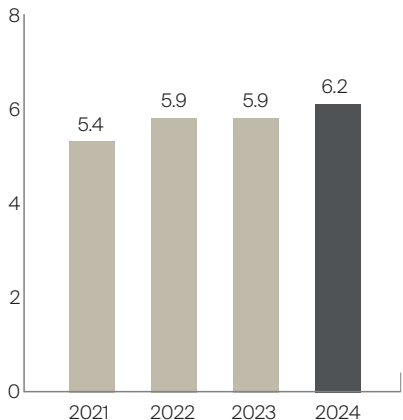
Production sites in Zug and Sulgen

V-ZUG Infra AG owns the commercial property of the V-ZUG Group at Industriestrasse 66 in Zug, where the V-ZUG Group will continue to realise its transformation, including the consolidation of its production, over the next few years. The construction of the new “Zephyr Ost” production building was completed in the first quarter of 2024, and the building was handed

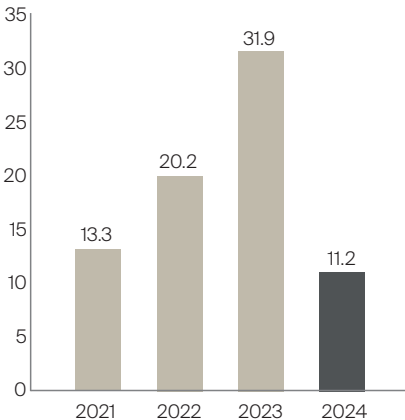
EBITDA (in CHF million)



EBIT (in CHF million)



Capex (in CHF million)¹⁾



¹⁾ See also Capex for the Household Appliances segment (p. 11)

over for the installation and commissioning of operating equipment as well as the installation of production systems. This marks the completion of all buildings required for production, which provide an important foundation for improving the production process and increasing efficiency in the coming years. Over the course of 2024, large numbers of plants, machinery and jobs were relocated to “Zephyr Ost”. This move will be completed with the transfer of the assembly line for enamelled products in the first half of 2025.

In 2024, the initiation of the preliminary project for the new office and laboratory building “Zephyr West” marked another important step in the transformation of the site and the realisation of the new main building.

Further measures were taken on the properties of V-ZUG Assets AG at Zelgstrasse 8 and 10 in Sulgen to optimise the refrigerator factory building of V-ZUG Kühltechnik AG, including noise and fire protection measures. Additional charging stations have been installed to promote e-mobility.

Integration in the Tech Cluster Zug

The properties of V-ZUG Infra AG in Zug are part of the Tech Cluster Zug (TCZ) development site project managed by the Metall Zug Group. The starting point for the TCZ project is the strategic renewal of the historic V-ZUG factory site on Industriestrasse and the transformation of the industrial site into a vibrant city district that combines production, work, housing and leisure and pursues ambitious social and environmental goals in terms of planning, architecture and operation. Under the leadership of Metall Zug AG, the entire historic V-ZUG site has been reorganised following the spin-off and separation of the V-ZUG Group from the Metall Zug Group in June 2020. The site has been split into two areas, with the northern site belonging to the V-ZUG Group and the remaining southern site being allocated to the Metall Zug Group. The modernisation and concentration of V-ZUG's production – thanks to a reduced footprint and vertical expansion – enable the establishment of additional usage such as industrial companies, technology-related services, training institutions areas for third-party users and catering facilities. Over time, the industrial site alongside V-ZUG will develop into a vibrant city location. New spaces and infrastructure will be created, offering scope for parallel production, working, housing and recreation. As a changing ecosystem, the Tech Cluster is intended to facilitate synergies and the creation of responsible added value for generations to come.

The development of the overall site is governed by a number of contracts and committees between the landowners of the V-ZUG Group and the Metall Zug Group. V-ZUG Infra AG has entrusted Tech Cluster Zug AG with the management of all real estate matters. This ensures coordinated site planning by both landowners. In particular, the coordination includes areas such as mobility (traffic and parking), creating and managing supply and disposal infrastructures, and exploiting synergies when using conference rooms, catering or facility services.

One project that will give rise to such synergies is the new “refActory” building that is being planned directly on Industriestrasse. V-ZUG will operate the new V-ZUG showroom as a tenant in this building. Catering open to the public is also planned, along with office space for third-party users on the upper floors. The building is being developed by Urban Assets Zug AG. During the reporting year, planning with the architect Gion Caminada was continued, resulting in the first presentation to the city authorities.

The incorporation of the new and existing buildings in the TCZ site into the new Multi Energy Hub operated by a joint venture between WWZ AG and Metall Zug AG ensures an independent and sustainable site energy supply, via which heating, cooling, electricity and gas can be purchased and also fed back into the grid. The supply lines at the core site were completed in the reporting year, and most of the existing buildings were connected to the grid.

Real estate projects

Zephyr Ost

The “Zephyr Ost” vertical factory of V-ZUG links up the “Zephyr Hangar” pressing hall, completed in 2020, and the “Mistral” assembly plant opened in 2016. The new five-storey building has an automated decoupling storage at its core as well as spacious production and assembly areas. There are also production-related offices, locations for development and social rooms. The new building boasts modern, industrial workspaces with unique construction features in the interior, such as the “lantern”, a glass roof 40 metres long and seven metres wide that provides daylight for the lower assembly level. Ramps enable trucks to drive right up to the building, and a tunnel provides a connection to the high-bay warehouse in the “ZUGgate” building. In addition, “Zephyr Ost” is the largest construction project in Switzerland to date that has been built using climate-friendly concrete. Thanks to the use of 4,200 m³ of recycled concrete, which was enriched with additional CO₂, it was possible to save or store a total of around 71 tonnes of CO₂ in concrete.

The basic construction was completed at the end of the first quarter of 2024, and the building was handed over for the installation and commissioning of operating equipment. The first phase of the transformation and relocation of premises and production facilities was completed at the start of the third quarter of 2024. The third and fourth quarters of 2024 were dominated by commissioning, consolidation and the bedding in of processes. The second phase of the move and the transfer of the assembly line for enamelled products in the first half of 2025 will complete the move into “Zephyr Ost”.

Zephyr West

The “Zephyr West” main building will be a 50-metre-high timber tower block, which will house modern offices, test rooms as well as training and meeting rooms. Designed by Diener & Diener Architekten, the transparent, slender building will stand out thanks to the walkways that connect it to the production and logistics buildings on both sides. The structural concept envisages the construction of two underground floors in reinforced concrete, while all above-ground floors will be built using a timber-concrete hybrid construction method. The timber panelling characterising the interior will radiate heat and create a pleasant interior climate. In addition to the two-storey loggias on the office floors, an open area to the south will offer a large external space for employees. Demolition and foundation work will start at the beginning of 2025. Construction work on the tower is set to start during the fourth quarter of 2025. The goal is to finalise the relocation to “Zephyr West” by the end of 2027.



Report on non-financial matters

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Interview with Peter Spirig, V-ZUG CEO

Mr Spirig, what are your thoughts looking back at V-ZUG's sustainability efforts in 2024?

In 2024, we made progress with the transformation at the Zug location. We have now transferred many of our production lines to the new "Zephyr Ost" production and assembly plant. As a result, we have an efficient and highly automated production location, which is truly a sight to behold. Furthermore, all new buildings have been connected to the Multi Energy Hub, which will further reduce our environmental footprint. Finally, we broke ground on the pilot plant for the production of hydrogen, which we are looking to use as a future substitute for natural gas in our high-temperature processes. Thanks to the investments we have made in recent years, we feel fit for the future. We are also continuously improving the energy efficiency of our products. Our new "Adora" line of dishwashers as well as the "CombiCooler V2000" refrigerators are good examples of this.

The materiality matrix was revised in the reporting year. What does this mean for V-ZUG's sustainability strategy?

As part of the materiality process, we have honed our existing sustainability topics and identified new material topics. The financial perspective of the materiality analysis has helped us better understand and integrate strategic risks and opportunities into our strategy. These are closely linked to our business model and long-term corporate success. However, our strategic direction remains unchanged.

What role does innovation play in sustainability?

The circular economy is a key element of our sustainability strategy and introduces a wide range of opportunities for innovation. Thanks to our efforts, we can reduce the material intensity of our products and give our customers the chance to consume less energy and resources, thus benefiting the environment. We also take advantage of the opportunities offered by digitalisation. By connecting the appliances, we can transparently inform our customers about the environmental impact of appliance use and provide tips for environmentally friendly use. This means we take our cues from our customers' actual needs.

How does V-ZUG promote the circular economy?

To move from the current recycling economy to a circular economy will require a new mindset. We will develop from a manufacturer of household appliances into a company that is also

responsible for dismantling the appliances. This not only has a significant impact on the design but also on how materials are used beyond the initial life cycle of an appliance. Our aim is to keep resources in circulation for as long as possible in best condition. In 2024, we successfully closed our pilot circular economy factory and began incrementally preparing it for industrial operation.

In 2024, there was still a shortage of skilled workers. How is V-ZUG strengthening its brand as an employer?

We strive to offer all our employees attractive jobs, including in production: The modern production facilities meet high standards. In addition, our working models allow employees a great deal of flexibility. We believe that as a technological leader in our sector, we enable forward-looking and meaningful work. Particularly in the circular economy, we are working on topics and challenges to keep us abreast of the times. Finally, in 2024, we once again invested in training so that we had the necessary specialists – for example with service engineers.

What will happen in 2025?

We will establish further partnerships to implement our vision of the circular economy factory. This is also associated with our training initiative, which ensures the skills in the area of service and repair. In order to reduce our downstream emissions, we will continue to raise customers' awareness on how to use the appliances ecologically. And in future, our internal CO₂ fund will continue to enable new investments in favour of sustainability regardless of the economic situation.



Peter Spirig
Chief Executive Officer

Sustainability as part of the strategy

The V-ZUG brand and quality claims also include sustainability. The company develops resource-efficient products and investigates circular business models. Transparency, high social standards and the search for more ecological materials play a key role in procurement, in close collaboration with our suppliers. V-ZUG is responsible for ensuring that employees at the workplace remain healthy and can reach their full potential. With the ongoing transformation of the Zug site, V-ZUG is making itself fit for the future and investing in long-term business success.

Sustainability is a central pillar of the corporate strategy. This is also reflected in the company's vision, mission and core values. In doing so, V-ZUG pursues a holistic understanding of sustainability, taking into consideration the three dimensions of "Planet", "People" and "Profit" – i.e. the environment, society and business-related elements of success.

Attaching equal value to environment, society and enterprise



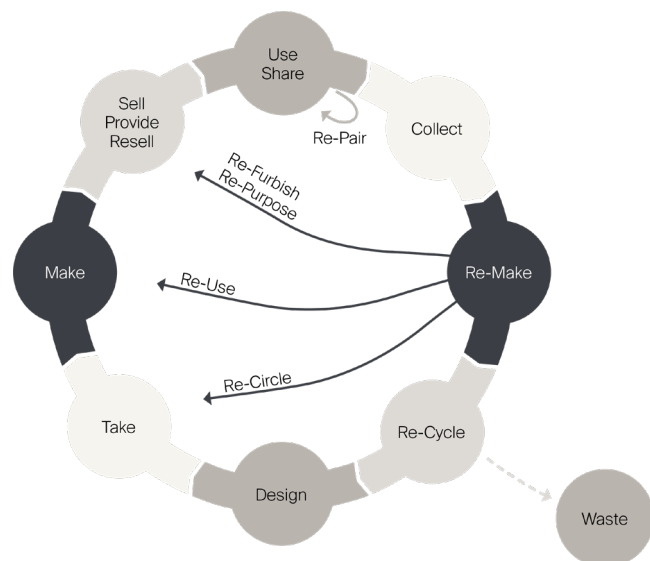
Circular products and services

V-ZUG aims to make a positive contribution to a more sustainable society, which is gradually transitioning from a recycling economy to a circular economy. The selection of materials plays an important role in reducing the environmental impact of V-ZUG household appliances. V-ZUG produces high-quality and durable products and is increasingly looking to close the material cycles. This makes the circularity of V-ZUG devices a strategic concern. For this reason, the company invests consistently in this area across all departments. Based on the "R strategies" of the circular economy, V-ZUG pursues a comprehensive approach to reduce the footprint of the appliances throughout the entire life cycle, starting with product design and continuing through return and decommissioning of the appliances. In this connection, the quality and value of resources should be preserved for as long as possible.

In order to reduce the material intensity and footprint of the appliances and individual components, environmental aspects are already taken into account in development. For this purpose, V-ZUG prepares life cycle assessments for each product category. The calculations based on ecopoints create transparency and pave the way for targeted innovations. It will thus be possible to tangibly compare the environmental gains made by potential optimisation measures. V-ZUG aims to reduce the environmental impact of new appliance developments by 5% by 2030.

The circular economy also opens up new opportunities for more sustainable business models, such as "Product as a Service" and the sale of second-hand appliances. To seize these opportunities, we need innovative partnerships with suppliers and other providers (see the chapter "[Products and services for a future-fit society](#)").

The circular economy – considering the entire life cycle and closing loops



Energy efficiency and ecological use of appliances

Energy efficiency is another key factor in reducing environmental impact. More than 63 % of the V-ZUG household appliances are already among the top three energy classes (A-C). How ecologically the appliances can be used at home is equally important since a significant part of the environmental footprint arises during use. V-ZUG assumes responsibility for downstream emissions and implements various measures to raise customer awareness of how to use the appliances more ecologically. These include ecological product functions, transparent communication about consumption data in use, as well as numerous tips in the V-ZUG Home app and the V-Kitchen app. With the internationally available “CO₂ web shop”, customers can also voluntarily offset their CO₂ emissions.

Environmental policy and climate risks

In its environmental policy, V-ZUG undertakes to measure the emissions resulting from operations and to prevent and reduce them to the best extent possible. By 2030, the aim is to reduce emissions from Scope 1 and 2 according to the Greenhouse Gas Protocol (GHGP) by 80 % compared with the base year 2020. To achieve this, V-ZUG is investing in more climate-friendly energy supply and energy-efficient buildings across all locations. Other measures include

gradually electrifying the vehicle fleet, as well as continuously optimising environmental and waste management. The internal CO₂ fund – financed by incentive taxes for CO₂ emissions released – plays a central role in this regard: With these funds, V-ZUG supports projects and initiatives that are beneficial on an environmental level but are not yet economically attractive. To ensure climate-neutral manufacturing operations today, V-ZUG has been offsetting its remaining emissions since 2020 through the “**V-Forest**” reforestation project in Scotland.

Indirect emissions in the upstream and downstream value chain (Scope 3) are to be reduced by 30 % by 2030. In 2024, V-ZUG submitted the 2030 climate targets for validation by the Science Based Target Initiative (SBTi).

As environmental and climate protection only succeeds through a joint commitment from business, politics and science, V-ZUG supports cross-sector projects. For example, the **Association for the Decarbonization of Industry**, which investigates the industrial production of hydrogen as an alternative to fossil fuels (see chapter “[Environment and climate protection](#)”).

In accordance with the climate reporting ordinance for large Swiss companies, V-ZUG is reporting for the second time on its climate risks in accordance with the Task Force on Climate-related Financial Disclosures (see [TCFD report](#)).

Resilient and committed employees

The top priority for V-ZUG is the well-being and commitment of its nearly 2,000 employees. The leadership principles and the principles of collaboration promote an appreciative and team-oriented working culture. The company is creating an inclusive working environment where all employees have the same chances of contributing and achieving their potential. Diversity is an important principle at V-ZUG: measures are continually being implemented to increase the share of women across all hierarchical levels. A balanced mix of generations is just as important. As a modern employer, V-ZUG enables flexible working models and uses agile forms of collaboration. The accredited health management system along with training and health initiatives ensure high standards of occupational safety and working conditions. V-ZUG has also borne the “Friendly Work Space” label since 2022. The targeted training of employees is another key element in strengthening the innovative capacity and competitiveness of V-ZUG (see chapter “Resilient and committed employees”).

Responsible business activity

V-ZUG’s business is carried out in accordance with applicable laws and international standards. The Code of Conduct applicable to all employees sets out the principles of entrepreneurial conduct. When dealing with suppliers, the Code of Conduct for Suppliers ensures that social, environmental and ethical standards are enforced. As a “fair player”, V-ZUG has a ze-

ro-tolerance policy when it comes to corruption, anti-competitive behaviour as well as forced and child labour. In accordance with the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, V-ZUG discloses its figures, risks and measures annually (see [DDTrO report](#)). In addition, IT security and data protection are high-priority concerns (see chapter “Entrepreneurship for sustainable prosperity”).

Sustainability governance

The Head of Sustainability is directly subordinate to the CEO of V-ZUG and leads an interdisciplinary working group, the “Sustainability Workforce”. The decentralised organisation of sustainability management is a deliberate decision. Sustainability efforts permeate the entire company, enjoying greater momentum and broad support across the various departments. The team of ten representatives from different departments drives the strategic and organisational anchoring of sustainability and identifies forward-looking projects. The Sustainability Workforce meets monthly and reviews the status of operational strategy implementation. Relevant project progress is discussed in detail within the scope of topic-specific streams. The Compliance department assists with legal issues, in particular in the implementation of corporate obligations under the Swiss Code of Obligations. It is also consulted with respect to supplier management and TCFD reporting.

Strategy overview: Sustainability is a foundation stone of V-ZUG’s corporate strategy

Business initiatives	Strategic objectives						Foundation stones
Portfolio	We are a global premium customer-driven brand .	We simplify our customers’ daily routines with distinctive, innovative, long-lasting products . We maintain the relationship across the entire product life cycle.	We trust data in shaping our markets. We understand our customers’ needs and effectively interact with them. We lead the way.	Switzerland is our home. Global metropolitan areas show our potential. We drive growth across all target markets.	Collaborating closely with our distribution partners and our clients is our unique selling point.		Quality and productivity
New business models							Exploit data
V-ZUG brand							Sustainability
Switzerland							Corporate culture
International							

The Head of Sustainability informs the Executive Committee of V-ZUG monthly about the progress made in achieving the annual targets relevant to sustainability. It is also consulted ad hoc in strategic decisions and in reporting on non-financial matters. Sustainability is an integral part of company-wide risk management, with climate-related aspects examined in the TCFD reporting process. The Board of Directors of V-ZUG regularly discusses sustainability topics at the periodic meetings and signs non-financial reporting.

Since 2022, the management of V-ZUG has been assessed against the implementation and achievement of the strategic sustainability goals. In 2024, the focus was on the objectives in the circular economy.

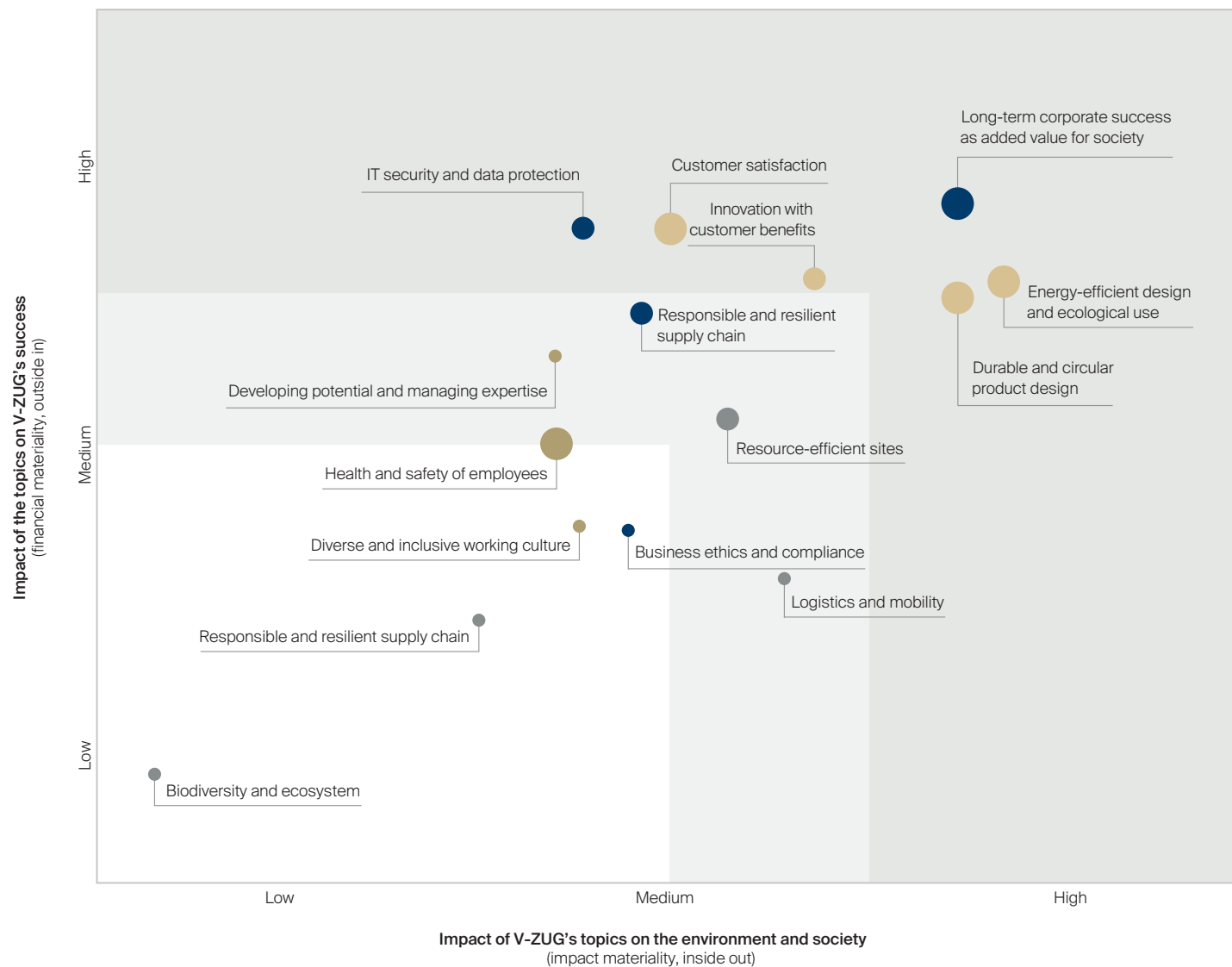
Materiality analysis and focus topics for 2030

In 2024, V-ZUG conducted a new materiality analysis and updated the matrix of the key sustainability topics. The company is not yet subject to reporting under the Corporate Sustainability Reporting Directive (CSRD) of the European Union. Nevertheless, the materiality analysis was carried out with the future in mind, according to the method of double materiality, as required by the European Sustainability Reporting Standards (ESRS). On the one hand, the actual and potential positive or negative impacts of V-ZUG on the environment, society and the economy were identified; this is referred to as impact materiality (“inside out”). On the other hand, risks and opportunities that have an impact on the company and its financial stability from the outside world were identified, known as financial materiality (“outside in”).

In an initial step, the internal Sustainability Workforce revised the list of possible material topics. The completeness of this list was reviewed with the help of feedback from internal and external stakeholders. A total of 15 material topics were identified. Some issues are new, and others have been specified in greater detail. For example, the topic of energy-efficient design and ecological use is now excluded from the topic of “Durable and circular product design” and stated separately due to its strategic importance. This also applies to “IT security and data protection”, which were previously included in the topic of “Business ethics and compliance”. The previously implicit topics of customer satisfaction and innovation are now more visible. The topic of “Innovation with customer benefits” now also includes the earlier topic of “Sustainable consumption and healthy nutrition”. The topic of “Biodiversity and ecosystems” was also included for the first time. Since V-ZUG would like to hold on to its own topics which have not been specified by the ESRS of the EU, the V-ZUG sustainability issues have been matched with the ESRS subtopics.

The Sustainability Workforce then identified and evaluated 168 specific impacts, risks and opportunities. According to ESRS requirements, actual and potential positive or negative impacts were assessed in their extent and scope. In the case of negative impacts, the severity was additionally estimated; for potential effects, however, the probability of occurrence was estimated. This resulted in the overall severity of a positive or negative impact. In terms of risks and opportunities, the probability of occurrence and extent were determined. For all parameters, a scale of 1 to 3 was applied (1 for low/small, 2 for medium, 3 for high/large). In addition, weighting was applied to highlight the strategic importance of key impacts, risks and opportunities. If a highly scored item seemed particularly relevant from a business perspective, the weighting was doubled. Finally, the individual impacts, risks and opportunities were aggregated and combined into the corresponding sustainability topic. In order to support the results more broadly, V-ZUG conducted an online survey, obtaining opinions from 62 stakeholders from the economy, politics and society on the resulting new matrix. Stakeholders were asked to assess the relevance of the topic from their point of view. The new materiality matrix was approved by the Executive Committee and the Board of Directors of V-ZUG.

Revised materiality matrix (2024)



The materiality matrix of V-ZUG comprises four dimensions. The X-axis shows the impact of the relevant topics on the environment and society (inside out), and the Y-axis its impact on the success of V-ZUG (outside in). The point size represents relevance for stakeholders and grey shading shows V-ZUG's strategic focus.

Classification of focus topics

Products and services for a future-fit society

- Energy-efficient design and ecological use
- Durable and circular product design
- Innovation with customer benefits
- Customer satisfaction

Resilient and committed employees

- Developing potential and managing expertise
- Health and safety of employees
- Diverse and inclusive working culture

Environment and climate protection

- Resource-efficient sites
- Logistics and mobility
- Operational waste management
- Biodiversity and ecosystem

Entrepreneurship for sustainable prosperity

- Long-term corporate success as added value for society
- IT security and data protection
- Responsible and resilient supply chain
- Business ethics and compliance

Strategic focus

- Strong
- Medium
- Low

Relevance to stakeholders

- High
- Medium
- Low

As before, the 15 material topics were summarised in the four guiding focus topics. These also provide the framework for non-financial reporting:

- Products and services for a future-fit society
- Resilient and committed employees
- Environment and climate protection
- Entrepreneurship for sustainable prosperity

The respective chapters provide an overview of the strategic goals and the outcomes achieved in 2024 ("Targets, facts and figures"). In the annex "[Impacts, risks and opportunities](#)", the relevant elements for each sustainability topic are explained in detail. In the future, additional indicators will be established for a number of new topics.

Contribution to the UN's Sustainable Development Goals

V-ZUG aligns itself with the United Nations' (UN) 2030 Agenda for Sustainable Development and has been a member of the Swiss Triple Impact (STI) initiative since 2020. STI is dedicated to promoting the attainment of the 17 Sustainable Development Goals (SDGs). This Swiss initiative helps organisations of all sizes and from all sectors of the economy boost their fitness for the future by integrating the SDGs into their business operations. In workshops and via questionnaires, V-ZUG determined in which of the 17 SDGs the company could have the greatest impact on. Although all the SDGs are interconnected, V-ZUG focuses on the topics that are directly affected by its business activities.

SDG

Contribution of V-ZUG to the SDGs

7 AFFORDABLE AND CLEAN ENERGY



- Products are resource- and energy-efficient in use
- Use and expansion of renewable energy sources at our production sites, e.g. the construction of the Multi Energy Hub as part of the Tech Cluster Zug project ("Environment and climate protection")
- Energy efficiency in our processes and in facilities management, e.g. by using energy from waste heat

8 DECENT WORK AND ECONOMIC GROWTH



- Investment in development and training, and also the employability of our staff across all generations
- Investing in the vocational education and training of young people
- Varied, interesting careers and employee advancement
- A high degree of job security and a positive influence on employee health
- Promoting equal opportunities and diversity
- Contributing to the attractiveness of the sites in Zug and Sulgen, and creating attractive and varied jobs for the local workforce
- Setting high labour standards in the supply chain
- Focusing on healthy economic growth, taking into account people and the environment

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



- Developing circular products
- Internal and external innovative strength
- Modern, resource-saving industry and infrastructure, particularly in developing the Zug site and the new building in Sulgen
- Using high environmental construction standards and innovative, sustainable construction methods at the Zug development site

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- High-quality, durable and serviceable products with spare parts available for a period of up to 15 years
- Transparent product information for informed purchasing decisions
- Raising the awareness of end customers for the optimum resource- and energy-efficient use of appliances
- Supporting healthy, balanced nutrition and avoiding food waste
- Energy-efficient, resource-efficient production
- The use of circular materials

13 CLIMATE ACTION



- Preventing, reducing and – where necessary – offsetting emissions that are harmful to the climate and the environment
- Carbon-neutral production of Swiss-made appliances by offsetting through the V-Forest reforestation project
- Internal carbon offset levy of CHF 120 per tonne of CO₂
- Establishing environmental standards within the supply chain
- Raising employee awareness, e.g. through the new mobility strategy

V-ZUG's contribution to SDGs 7, 8, 9, 12 and 13



Breakroom in the new production building "Zephyr Ost". Attractive industrial workplaces increase the motivation and well-being of employees.

Products and services for a future-fit society

V-ZUG customers trust that their household appliances are both durable and of impeccable quality. Ecological product functions as well as numerous tips on the V-ZUG apps make it easier to use the appliances in an environmentally friendly manner. V-ZUG is continuously increasing its energy efficiency and investing in circularity. In order to conserve existing resources, it is important to keep the materials and components in circulation for as long as possible in best condition. Thanks to innovative partnerships, a well-functioning circular economy is gradually taking shape.

Circular products and services

The circular economy calls traditional production processes into question and implies a comprehensive transformation of the business: away from the throw-away economy and recycling towards one with closed material cycles. This paradigm shift is challenging given the complex value chains. However, internal calculations using practical examples show that a circular economy pays off. V-ZUG is promoting this transition by implementing the “R strategies”, which have been tested in the **“circular economy factory”** pilot project. V-ZUG will gradually prepare the factory for future industrial operation.

In addition to having long service lives, the appliances must also be repairable. Repairability has always been part of the V-ZUG quality guarantee. Appliances that prematurely leave the cycle of use – such as showroom appliances or customer returns – are refurbished, where possible. Instead of being prematurely passed for recycling, the appliances are given a new life and can be purchased in the **online shop of the SIBIR Group**. In cases where refurbishing is inappropriate, the appliances are disassembled. This makes straightforward disassembly and modularity key.

Disassembly is the prerequisite for the next “R strategy”: suitable components are removed from used appliances, inspected for quality and reused where possible. An example of this is the reusable counterweights in washing machines. In 2024, V-ZUG commissioned Gemeinnützige Gesellschaft Zug (GGZ), a non-profit organisation in the secondary labour market, to disassemble additional washing machines. In order to scale up disassembly in the future, V-ZUG will examine cooperation with industrial partners.

Profitable partnerships

The next “R strategy” aims to reuse pure-grade materials to the greatest extent possible. As a result, they will remain in circulation and require fewer primary resources (recircling). Innovative partnerships with suppliers and third-party suppliers are essential for achieving this. The Procurement and Development departments are also working closer together within V-ZUG. During the strategic selection of possible materials, the departments are increasingly checking whether suppliers can take them back. V-ZUG has already established this for individual materials, for example with plastic manufacturer Georg UTZ AG. The manufacturer takes back the plinths of washing machines and processes the material into new plinths. The remaining reusable materials are sorted into the most appropriate path for recycling. This is only possible due to the disassembly of the appliances, as it prevents material mixing – unlike conventional shredding. Partnerships with external buyers are also being reviewed in connection with recycling. In addition, certain appliance components can also be repurposed. For example, designers of V-ZUG came up with stools and side tables made from used washing machine drums. The first models were sold in 2024.

The implementation of the “R strategies” shows that the circularity of an appliance starts as early as the design phase. Accordingly, V-ZUG consistently develops new products in accordance with the ten “Design to Circularity” principles.

Transparency thanks to product life cycle assessments

V-ZUG prepares life cycle assessments for all product categories to determine how an appliance affects the environment throughout its life cycle. The life cycle assessments are evaluated using three methods: according to ecopoints (EPs), CO₂-equivalent and monetary value. Assessments in accordance with environmental scarcity (ESM2021) measured in EPs are particularly useful, as they take into account 17 categories of impact. These include the greenhouse gas effect, soil and water acidification, noise and toxicity for humans and the ecosystem. Based on these indicators and taking into account the cost of manufacturing, V-ZUG already selects materials and processes with the lowest possible environmental impact during the development phase. V-ZUG has set itself the goal of reducing the EPs of new products by at least 5% compared to the previous model. One example of this is the new refrigerator plat-

form: even with an EP increase of 39 % due to the new vacuum insulation panel in the installed state, the improved energy efficiency reduces the EPs by around 20 % over the entire lifespan of the appliance. In 2024, V-ZUG also introduced the new “Adora” dishwasher. It is built with low-carbon steel and, thanks to the new bitumen insulation, is also more energy efficient and cost efficient. It is therefore worthwhile to invest more in the installed materials during manufacturing – the “grey energy” – as the overall life cycle assessment improves over the useful life. Conversely, this demonstrates the importance of dismantling the appliances and keeping the high-quality materials in circulation.

Based on the product life cycle assessments, V-ZUG initiated the “Circular materials” project in the reporting year, which is financed by funds from the internal CO₂ fund. The project is initially focused on metals and plastics and explores how the circularity of these material flows can be improved. In the spirit of lean management, the goal is to reduce process complexity and material diversity and reuse the resources as effectively as possible. A high recycling and reuse rate is already a fundamental product requirement today. V-ZUG strives for a recovery rate of no less than 90 % with new developments.

In order to make the results of the product life cycle assessments available to a wider public, in 2025 V-ZUG will publish product sustainability reports (PSRs) for the first time on its website. These provide V-ZUG customers with detailed information on the environmental footprint of the appliances.

Using energy-efficient appliances ecologically

The product life cycle assessments show how the environmental footprint can be reduced when manufacturing appliances. They also show the impact of electricity consumption on EPs when the appliances are used at home. V-ZUG already provides highly energy-efficient products. Since the technical possibilities for increasing energy efficiency will soon be exhausted, the way customers use the appliances is key. V-ZUG assumes responsibility for downstream emissions during use and helps its customers to use their appliances more ecologically. The numerous ecological functions significantly reduce the environmental footprint of the standard programs. While these have longer run times, they require less energy and water for an equal result. V-ZUG provides customers with comprehensive information to make more ecological decisions. Integrated EcoManagement predicts the energy and water consumption, depending on the program selected. In addition, V-ZUG takes advantage of the opportunities offered by the digitalisation and networking of household appliances, and offers numerous energy savings tips in the V-ZUG Home app and on the website.

Innovation and customer satisfaction

V-ZUG invests around 8% of its annual turnover in research and development. This investment focuses on achieving progress towards sustainability and for the benefit of customers. Innovations are always intended to provide customers with both ease of use and ecological added value.

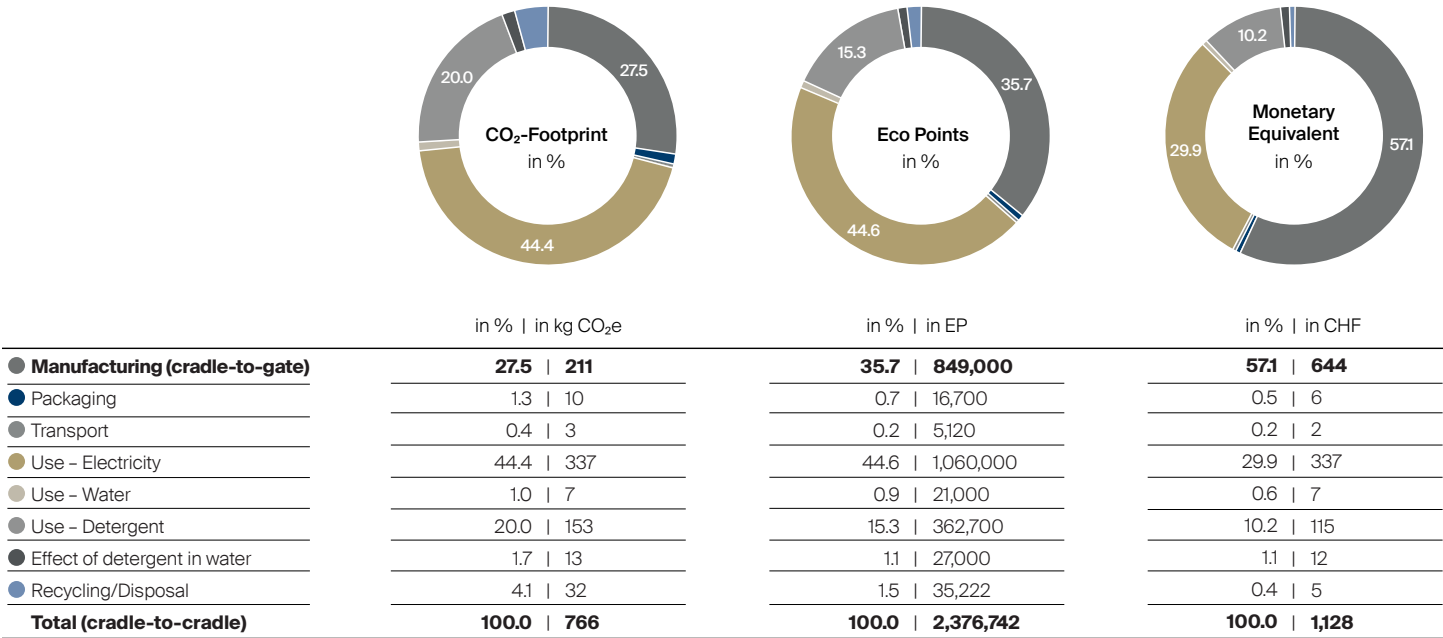
Besides the existing, extensive programs, “V-Upgrade” enables customers to access additional functions for a limited time, as required. These special, technically complex programs are a practical option for customers looking for specific upgrades compatible with existing cheaper models. As a result, the lifespan of the V-ZUG appliance can be extended without having to make an additional purchase. Customers can be inspired by healthy recipes in the V-Kitchen app and get tips on minimising food waste.

V-ZUG once again achieved high customer satisfaction in the area of services in 2024 according to the Net Promoter Score (NPS: +74). In response to brand awareness surveys, customers stated that V-ZUG was considered the first choice for household appliances, particularly due to its quality (93 %), the trustworthy brand (87 %) and good service (86 %).

Sustainable business models

The longevity and timeless design of all V-ZUG appliances are an important basis for further business models. Thanks to the “Second Life” model, used appliances in faultless condition gain a second life after upgrading. On the other hand, V-ZUG offers an alternative to buying a new appliance with the **“Product as a Service” business model** (PaaS): the household appliances remain the property of V-ZUG, who is responsible for service in the event of accident or damage. As part of the user agreement, our business customers obtain service solutions at fixed rates. At the end of the contract, V-ZUG takes back the appliances and thus controls the flow of materials, which has a positive effect on the environmental footprint. V-ZUG is convinced that these innovations correspond to changing customer needs. Against this background, the PaaS model has been expanded to include other product categories. In 2024, the first projects in the kitchen area were carried out in cooperation with external partners. At the end of 2024, more than 1,000 appliances in the PaaS model were already under contract throughout Switzerland.

Product life cycle assessment in % AdoraDish V6000 (with heat pump)



Product life cycle assessment AdoraDish V6000 with heat pump – presented in three perspectives:

CO₂ footprint in tCO₂, ecopoints in EPs and monetary equivalents in Swiss francs (CHF) are used for each product category in the new product sustainability reports (PSRs).

Targets, facts and figures

Targets	Baseline and target years	Status
Efficiency		
Increase fleet efficiency of all appliances (energy and water) by 5% – new: energy +10 % from 2024	2021; 2030	E: Achieved in 2023 W: On track
One appliance per product category in the top 3 for efficiency (comparison site TopTen)	Annual review	Not achieved
All current network-enabled appliances have extensive integrated ecofunctions/services	n.a.; 2025	On track
Circularity		
Life cycle assessments for all appliances (one reference model per category)	n.a.; 2023	Achieved (since 2023)
Achieve 90 % recyclability of appliances	Development projects; 2025	On track
Reduce ecopoints (EPs) by 5 %	Development projects; 2030	On track
All appliances developed according to circularity principles	Development projects; 2030	On track

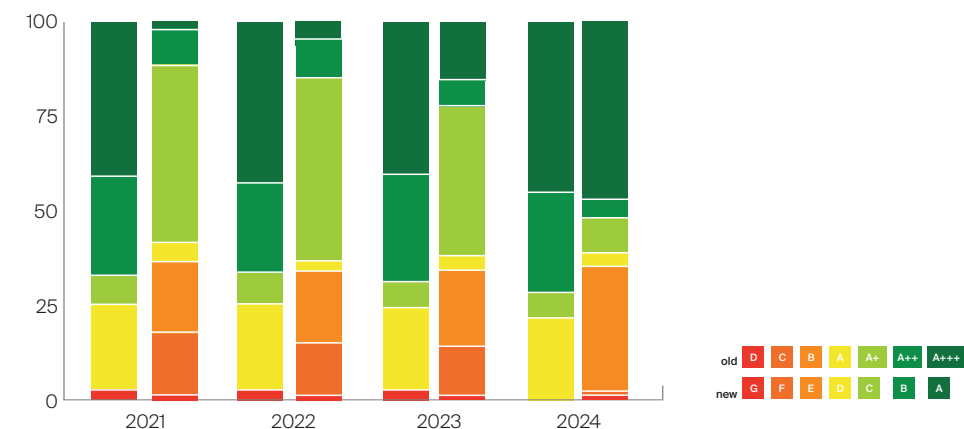
Targets, results and status in relation to the focus topic “Products and services for a future-fit society” (abbreviated; details in the appendix to the Sustainability Report)
Possible statuses: Achieved, On track, Delayed, Not achieved (if new target: Initiated)

Contribution to SDGs 7, 9, 12 and 13



V-ZUG offers durable, energy-efficient household appliances and promotes their circularity. The materials and components of the V-ZUG products should be easy to repair, refurbish, reuse or recycle. As a result, the high-quality appliances and their components remain in circulation for longer and provide added value for the benefit of the environment. Circular approaches and business models can be used to structure the economic system in a more resource-efficient manner and decouple prosperity from environmental impact. In addition, V-ZUG is raising customer awareness with respect to more environmentally friendly appliance use and a more sustainable lifestyle.

Appliances supplied with label, by energy class

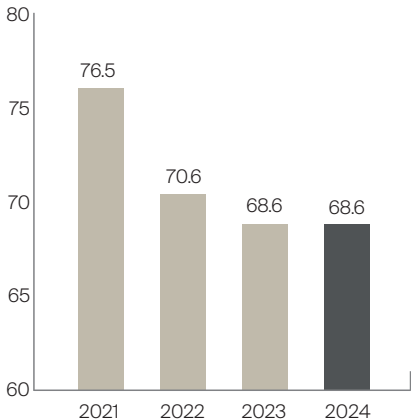


Efficiency class A is standard for V-ZUG appliances ¹⁾

In 2024, around 99 % of all V-ZUG appliances shipped once again had an energy efficiency rating of A or higher (adjusted to standard label to enable comparison¹⁾). The dishwasher “Adora” was optimised in 2024 and was raised from class C to class A. In the case of refrigerators, various appliances have been upgraded from class F to class E. Following the introduction of new, more stringent energy efficiency regulations in March 2021, the energy efficiency classes for washing machines, dishwashers and refrigerators were rescaled (column on right). In the 2024 reporting year, the number of appliances sold in category A was increased from 16 % to 47 % (+31 percentage points), and the quantity in the three highest efficiency classes (A to C) was kept at a gratifying 63 % (rescaled products).

¹⁾ Applies to V-ZUG appliances with a regulatory energy efficiency classification according to the energy efficiency regulations in force at the end of 2021. For ease of comparison, we have stated already rescaled appliances according to both the old and the new classification. Some types of appliances are not assigned an energy classification (e.g. hobs and microwaves). Such products account for around 19 % of all V-ZUG appliances shipped.

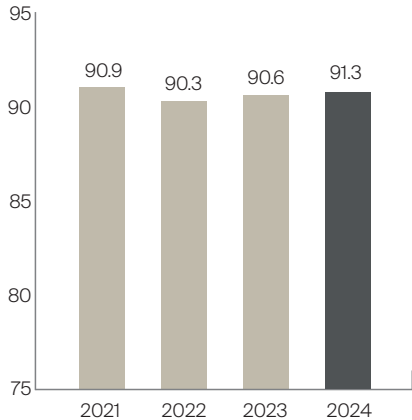
Fault rate¹⁾ in %



Faults are extensively examined to determine cause

Thanks to sustained quality initiatives, V-ZUG is continuing to implement many improvements across the company and consequently the fault rate remained stable at 68.6% (indexed to the 2015 baseline). All problems are tracked and analysed by Product Quality Monitoring and then processed in a targeted manner.

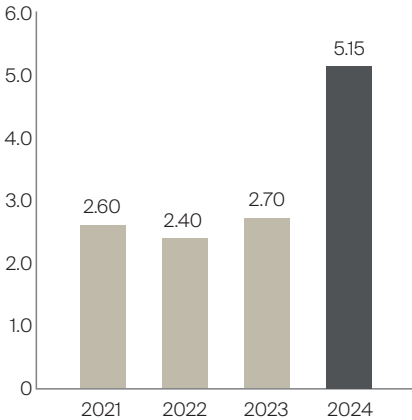
First-time fix rate¹⁾ in %



First-time fix rate remains very high

The first-time fix rate for service visits in 2024 reached a very high value of 91.3% (2023: 90.6%). During service visits, even more cases could be dealt with on the first visit, which reinforced customer satisfaction. Due to reduced resources in service (shortage of skilled workers), the focus was specifically on the first-time fix rate; the response time was thus positively influenced.

Average response time in days¹⁾



Method for measuring response time adjusted – customer satisfaction once again very high

The method of measuring the response time was adjusted in 2024 and now also includes cases where response times are not urgent on customer request. The higher value for 2024 is therefore not directly comparable with previous years. However, even taking into account the adjusted method, the average response time has increased by just under one day compared to the previous year. This is mainly due to the shortage of skilled workers. Nevertheless, service quality and customer satisfaction remained high. Customers rewarded V-ZUG with a Net Promoter Score (NPS) of +74. The V-ZUG brand was once again viewed very positively and recognized for its sustainability.

¹⁾Swiss market values (representing approximately 80% of Group sales).

Promoting the circular economy in product design

The ten principles of circular design at V-ZUG

- 1) Enable disassembly/restorability
- 2) Enable reuse
- 3) Reduce materials
- 4) Integrate electronics sparingly and consciously
- 5) Modularity for retrofitting
- 6) Use of recyclable materials
- 7) Environmentally friendly selection of materials
- 8) Enable environmentally friendly use
- 9) Promote repairability
- 10) Promote longevity

Circular materials:
step by step
towards greater
sustainability
[Read more here](#)

Dismantling of washing machines in line with the circular economy. In partnership with the non-profit social institution Gemeinnützige Gesellschaft Zug (GGZ), which dismantles appliances on behalf of V-ZUG.



Resilient and committed employees

There are around 2,000 employees working at V-ZUG who develop innovative products and provide trustworthy services in a committed and customer-oriented manner. As an employer, V-ZUG acknowledges its responsibility for the well-being of its employees. The accredited corporate health management system ensures high standards of occupational safety and working conditions. Numerous initiatives create an attractive working environment where employees can realise their potential. V-ZUG fosters a culture of appreciation, self-efficacy and equal opportunities in line with its core values.

Value-based collaboration

V-ZUG offers its customers high-quality, durable household appliances made in Switzerland, as well as reliable and fast service. This commitment to excellence lies at the heart of V-ZUG's vision and mission, with the aim of maintaining customer satisfaction at a high level. This requires forward-looking and value-oriented corporate governance as well as a dynamic and inspiring working environment. This allows employees to give their best, while remaining resilient.

V-ZUG's leadership principles establish a leadership culture which is based on mutual support and promotes interdisciplinary cooperation and practical exchange. The principles establish five entrepreneurial competencies that make a successful manager. In the reporting year, more than 280 executives regularly met in exchange groups and continued to reflect on the principles based on practical cases from day-to-day management. The principles of collaboration create a working culture that strengthens the personal responsibility of employees. Constructive feedback, critical thinking and active listening are highly valued.

Strengthening participation

V-ZUG surveys its employees regularly to stay abreast of their sentiment and needs. In the reporting year, an interim survey was conducted to review the implementation of the last global employee survey in 2023. The identified improvement measures are implemented at departmental level. Feedback from around 700 employees showed that they want to actively shape the company and feel heard. The next global employee survey will take place in 2025.

In many strategic initiatives, V-ZUG focuses on grassroots formats and inclusive, proactive communication. The "Be Aware" programme calls attention throughout the company to im-

portant topics, including sustainability. More than 80 employees act as ambassadors and raise awareness in their teams – a conscious departure from hierarchical communication by managers. Four "Be Aware" thematic months are held each year. For example, the joint understanding of the V-ZUG brand was reinforced in autumn 2024.

In addition to formal communication channels such as regular employee events, V-ZUG also makes sure to maintain informal dialogue. With "VivaEngage", employees can exchange ideas and network, thereby strengthening cohesion across the Group. The new intranet was also launched at the end of 2024. The multilingual platform brings together all work-related information and tools. It integrates seamlessly into the existing digital work environment, making it more user-friendly and easily accessible.

Productive flexibility

V-ZUG is convinced that flexible and agile working structures have made its employees more satisfied and more productive. In recent years, V-ZUG has established the concept of "Smart-Work". The teams decide for themselves how they collaborate with one another. Clear agreements make it easier to handle possible pitfalls of flexible work, such as ensuring constant availability. Hybrid forms of work reduce commuting times and help to strike a better balance between work and private life. V-ZUG enables part-time positions, condensed working days, job sharing and unpaid periods of leave. In addition, V-ZUG is continuously digitising work processes, thereby increasing efficiency. Employees receive training in "scrum" and "design thinking" methods and use the scaled agile framework to implement digitalisation projects.

Inclusion and diversity

Fairness and equal opportunities are core values at V-ZUG. Inclusion and diversity can generate creative added value and contribute to business resilience. A wide variety of life experience, career backgrounds and cultural practices can already be found among V-ZUG employees today. Respect and tolerance characterise day-to-day work. V-ZUG does not tolerate discrimination, for example, on the basis of gender, age, origin or religious or political beliefs. Given the shortage of skilled workers, it is more necessary than ever to make full use of the available talent pool. Since the topic of "people and culture" is represented in the Executive Committee, matters of greater inclusion, diversity and equal opportunity are firmly engrained at the highest corporate level.

V-ZUG pays particular attention to the mix of generations and gender. The company aims to have women represent 25% of the management team, including the Executive Committee and Board of Directors, by 2030. Their representation is also expected to increase throughout the entire company. As an industrial enterprise, it remains a challenge to increase the proportion of women. It stood at 24.2% throughout the company in 2024, which is effectively a slight increase (2023: 23.7%). V-ZUG takes various measures to promote women in a targeted manner. The company once again participated in the diversity benchmark of the University of St. Gallen in 2024 and gained further insights to promote diversity. The “Trau dich!” campaign, which was launched in 2023, had 20 participants in the reporting year. Their self-efficacy and competency are promoted in the course of development meetings, seminars and internal networking. In addition, new standards for recruitment are intended to prevent possible gender stereotyping and prejudices. In 2024, managers completed a mandatory training programme on this topic. Moreover, a guideline for inclusive communication has been drawn up. Overall, V-ZUG strives to increase awareness of diversity in existing structures throughout the company, including within the framework of the “Be Aware” programme. V-ZUG also regularly takes the opportunity on World Women's Day or the Day of Tolerance to draw attention to the importance of gender equality and inclusion. Equal pay for equivalent work has been a matter of course at V-ZUG for years. The next analysis on pay equality will be carried out in 2025.

In the area of inclusion, V-ZUG strives to give work opportunities to people with disabilities. In cooperation with the Obvita Foundation, depending on the state of the order book, V-ZUG employs between 10 and 15 people with a disability for less complicated tasks at the refrigerator factory building in Sulgen. A more comprehensive strategic disability concept will be developed in 2025. At V-ZUG, “inclusion” also means maintaining employment for employees who, after a health-related absence, are supported by corporate case management and reintegrated into the company. The reintegration rate is more than 75%.

Occupational health and safety

The occupational health and safety management programme is certified according to ISO 45001. V-ZUG has also borne the “Friendly Work Space” label since 2022. The company addresses issues of physical and mental health in a variety of ways. External counselling is available to employees who find themselves in difficult situations or who have serious grievances.

Inadequate occupational safety precautions can lead to health-related issues and unnecessary costs. To avoid these, V-ZUG has a three-part occupational safety concept. It consists of control checks, low-threshold security directives in the production teams and the decentralised structure of the occupational safety contacts. A total of 26 trained employees serve as occupational safety contacts in their departments. Together with those responsible for occupational safety, they increase the awareness of possible hazards in the workplace throughout the company and explain correct behaviours. Managers attend half-day training sessions at SUVA to make them aware of their legal responsibility and the need to set an example. Every year, V-ZUG also conducts a campaign on occupational safety: during the reporting year, the focus was on the risks of electrical accidents. In 2024, V-ZUG missed the accident reduction target. Hours lost due to occupational accidents increased by 0.08 percentage points to 0.32% (relative to target hours).

Education and training

Well-trained employees with future-oriented expertise are essential for the competitiveness and innovative capacity of V-ZUG. In the reporting year, the company invested 0.65% of wages paid in education and further training as well as 1.36% of wages paid in vocational training. V-ZUG's further training strategy and strategic career and succession planning are founded on an individual competency and performance-based evaluation. This follows the internal competency model. In annual “V-Compass” feedback meetings, the employees' development prospects are determined and development goals defined in a collaborative manner.

In order to promote continuous learning and the ongoing employability of employees, the “V-ZUGacademy” offers courses, trainee programmes and management training. In addition, regular technical and specialist training is offered. In 2024, V-ZUG launched the new “V-ZUG Learning” e-platform for the entire Group. This gives employees the opportunity to receive further training, with no scheduling or location constraints. Besides voluntary modules, there are also mandatory training courses, such as compliance or cybersecurity topics. V-ZUG also trains young apprentices; 93 in 2024.

Targets, facts and figures

Targets	Baseline and target years	Status
Occupational safety: Vision "Zero" and annual reduction in the number of accidents by 5 %	Annual review	Not achieved
Long-term health: we will stabilise the absence rate by 2025 and lower it long-term	2020; 2025	Delayed
Investment in education and training: 0.65 % of wages paid	Annual review	Achieved
Investment in vocational training: 1.35 % of payroll spend	Annual review	Achieved
Diversity: we will increase the proportion of women across the Group	N/A; 2025 (new: 2030)	
1) In leadership team, incl. BoD, to >25 %		1) Delayed
2) Same proportion in management team as across the entire company (see 3)		2) Delayed
3) In the entire company		3) On track
Inclusion: employees feel included and demonstrate commitment, and work satisfaction is high: target >80 %	Survey every 2 to 3 years	On track

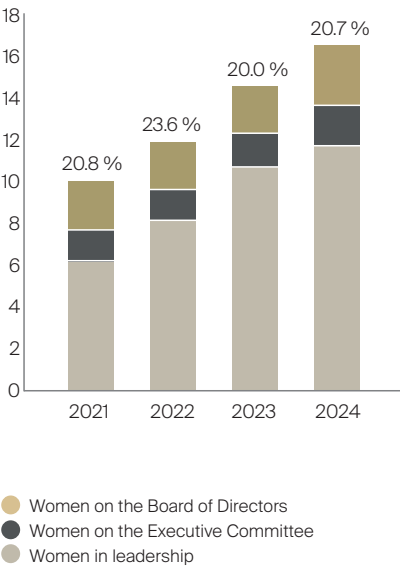
Targets, results and status in relation to the focus topic "Resilient and committed employees" (Short form; greater detail in the appendix to the Sustainability Report)
 Possible statuses: Achieved, On track, Delayed, Not achieved (if new target: Initiated)

Contribution to SDG 8

V-ZUG creates secure jobs as well as fair and attractive working conditions. Corporate HR and health management complies with high standards. The company invests in the employability of its employees and offers young people numerous apprenticeship programmes and exciting development paths. V-ZUG takes inclusion and diversity seriously, creates job opportunities for people with disabilities and provides equal pay for equivalent work.



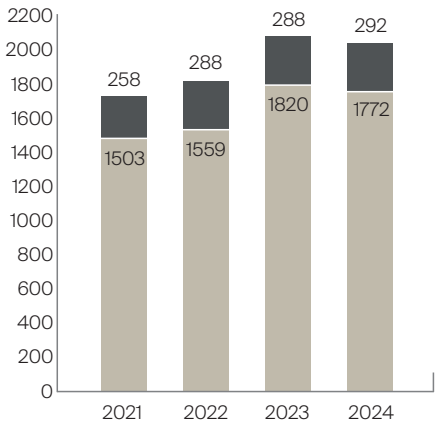
Women in management roles



Continued rise in number of women in senior management

The proportion of women in the leadership team increased by 0.7 percentage points in 2024 to 21.5% compared to the previous year. Across the company in 2024, the proportion of women overall was 24.2%, and in all management roles it was 20.7%. Both figures rose slightly in the reporting year.

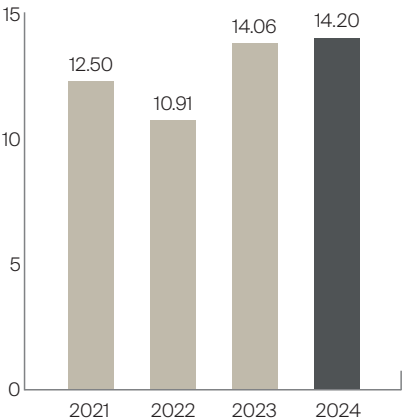
Permanent employees by part-time/full-time working hours



Flexible working models

Across the Group, most V-ZUG employees continued to work full-time (85.9%) in 2024. The number of employees working part-time increased slightly (14.1%). The level of employment can be adjusted to individual needs at the beginning and/or during employment. Part-time work is particularly popular in Switzerland.

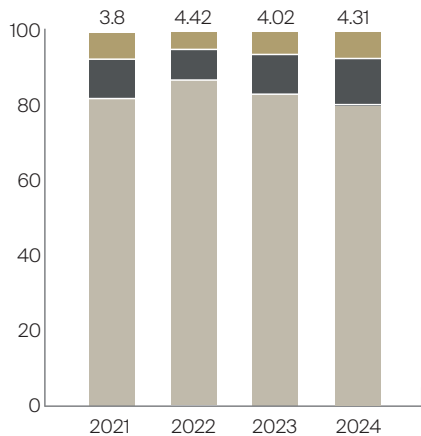
Turnover rate ¹⁾ in %



The turnover rate rose slightly

In 2024, V-ZUG welcomed 233 new employees. Over the same period, 294 people left the company. This equates to a turnover rate (including retirees and apprentices) of 14.2%, up 0.14 percentage points compared to 2023.

Absence rate by cause ¹⁾ in %

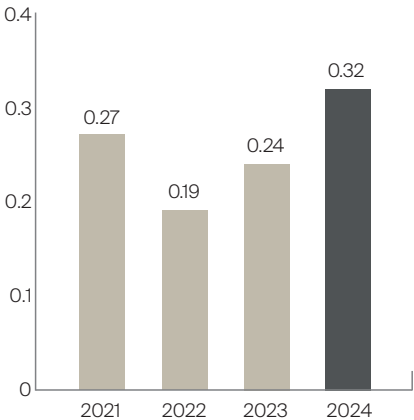


■ Occupational accident
■ Non-occupational accident
■ Illness

Sickness accounts for the majority of hours lost

The lost hours rate for 2024 was 4.31% (in relation to contracted hours) in total, 0.29 percentage points higher than the previous year. Down almost 2.53 percentage points during the reporting year, illness was the most frequent cause of absence at 80.72%. The number of lost hours due to workplace accidents increased 0.08 percentage points from the previous year, as well as the number of workplace accidents. The reasons for this increase are not only the higher number of accidents, but also the improved data quality in recording lost hours.

Absence rate due to occupational accidents ¹⁾ in %



More occupational accidents reported

V-ZUG recorded 91 occupational accidents during the reporting year (previous year: 75). These generated a total of roughly 9,523 lost hours, or 0.32% of contracted hours (2023: 0.24%). V-ZUG put targeted measures in place and raised awareness of hazards in the workplace and correct conduct across the company. Nevertheless, the goal of reducing accidents every year has not been achieved. Efforts will be stepped up again in 2025

*"Head – Heart – Hand":
 our path to
 greater inclusion
 and diversity*
[Read more here](#)

¹⁾ Values for production sites between 2021 and 2022, and globally between 2023 and 2024.

Environment and climate protection

V-ZUG strives to avoid and reduce CO₂ emissions throughout its entire value chain. Within its own operations, the company is transitioning to renewable energy sources, building energy-efficient production and office buildings, and optimising the waste management concept. In addition, V-ZUG is investing in sustainable projects and in decarbonising the vehicle fleet. Direct emissions that cannot yet be avoided are offset by the “V-Forest”. In this way, V-ZUG is contributing to climate protection and continuously improving its carbon footprint.

Boosting eco-efficiency

V-ZUG measures production and business emissions and draws up annual business life cycle assessments for the three production sites of Zug, Sulgen and Changzhou according to the method of environmental scarcity (ESM2021). Together with the product life cycle assessments, these capture all environmental impacts caused by production processes, appliances and services over the entire life cycle. On this basis, V-ZUG calculates the ratio of the environmental efficiency to net sales. By 2030, V-ZUG aims to increase this value by 40 %, thereby decoupling economic growth from environmental impact. While environmental efficiency could not be increased in the reporting year, the cumulative figure amounts to +23 % compared to the baseline year 2020.

Resource-efficient production

The site transformation at the Zug location is significantly reducing V-ZUG's environmental footprint. In the reporting year, the recently commissioned “Mistral”, “Zephyr Hangar” and “Zephyr Ost” buildings were connected to the **Multi Energy Hub** (MEH). MEH has supplied the site in Zug and its surrounding neighbourhood gradually with renewable energy since December 2022. It originates from various sources such as solar photovoltaics, ground and lake water, and the process heat from V-ZUG and neighbouring companies. This reduces the consumption of natural gas, which has a positive effect on the CO₂ emissions of V-ZUG. With the exception of buildings that will be demolished before 2030 or are no longer used by V-ZUG, all existing and new buildings are now connected to the MEH.

In 2024, V-ZUG installed a second press at the “Zephyr Hangar” production building. It supplements the first identical press, which was built in 2021 and enables a significant increase in capacity for component production. As a result, V-ZUG can decommission the older and

less energy-efficient presses. The new press makes V-ZUG significantly more ecological and efficient.

Energy efficiency programme for the Zug site

The energy efficiency of production buildings and processes is an important factor for reducing the energy needs of V-ZUG. In order to manage and control energy consumption using data, V-ZUG established a comprehensive system in 2024, in cooperation with the Energy Agency for Economic Affairs (ENAW). As an initial step, V-ZUG set up energy accounting at the Zug site. The procedure, which was completed at the end of 2024, determines the energy consumption of the work and production processes in the individual buildings.

In the reporting year, V-ZUG also conducted an energy check-up for old and new buildings and processes with the support of the ENAW. In this way, the company identified potential for optimising energy consumption and defined measures to increase operational energy efficiency. The new building at its headquarters in Zug has already made significant improvements in this regard. By 2028, the office and production facilities will have fully relocated to the “Zephyr West” building, which will also have a positive impact on energy consumption.

With the support of the ENAW, V-ZUG developed a new reduction pathway for the period 2025–2034 in the reporting year and will submit it to the Federal Office for the Environment in 2025. In defining the reduction pathway, V-ZUG also took into account findings from energy accounting and energy check-ups. The base year is the 2024 financial year. The new reduction pathway replaces the previous pathway (2011–2024) and complies with the requirements of the Swiss CO₂ Act that came into force in 2023.

Sustainability projects thanks to the CO₂ fund

Since 2018, V-ZUG has paid an internal CO₂ levy together with the Metall Zug Group. CHF 120 is paid into the fund for each ton of CO₂ emitted. This concerns all Scope 1 and 2 emissions as well as Scope 3 emissions from business flights. In 2024, the internal CO₂ fund also enabled V-ZUG to invest in environmentally worthwhile projects that are still challenging from a purely economic perspective. A pioneering project financed by the CO₂ fund is the pilot line for the industrial production of hydrogen. V-ZUG has been developing this project since 2022 in conjunction with the **Association for the Decarbonization of Industry**. Construction on the

line started at the end of 2024 at the Zug site, and test operations will run from 2025 to 2029. During this period, V-ZUG will use the hydrogen produced to power certain high-temperature processes in production. This will make it possible to replace natural gas, which reduces emissions. Due to the required level of purity, the company does not – for the time being – plan to use the generated hydrogen for operating electric lorries. The economic and technical potential will be assessed following the trial. This will affect the further planning and scaling of hydrogen use.

In 2024, V-ZUG further electrified its operating fleet. The company is expanding its fleet to a total of 39 electric service vehicles by the end of 2025. Installing charging stations for the electric service vehicles at home remains a logistical challenge. Furthermore, no electric vehicles with a 4x4 drive exist, but these vehicles are required in mountainous areas. On the other hand, V-ZUG acquired a second electric lorry with funds from the CO₂ fund in the reporting year.

In 2024, the CO₂ fund also made it possible to launch the “Circular materials” project, which pledged CHF 135,000 annually for a period of two years. The project examines how the circularity of the materials used can be optimised. With these measures, V-ZUG will further reduce Scope 3 emissions.

V-ZUG optimises operational waste management

Environmental management at the Zug site is certified in accordance with ISO 14001. As part of the site transformation, V-ZUG developed a new waste management concept that is tailored to the new vertical production. The concept defines how the collected valuables are optimally sorted and waste streams are reorganised. In contrast to the previous approach, V-ZUG will dispose of the generated waste materials in the future through external waste disposal service providers, independent of the Tech Cluster Zug. In this way, V-ZUG is responsible for operational waste management in accordance with the recycling strategy in the spirit of the circular economy.

The “V-Forest” continues to grow

At present, despite all efforts, V-ZUG cannot fully eliminate CO₂ emissions. In 2020, the company partnered with the **Ripa Gar Foundation** in support of the “V-Forest” reforestation project in Scotland. V-ZUG’s compensation contributions are added to the reforestation of the forest. V-ZUG offsets all remaining Scope 1 and Scope 2 emissions as well as Scope 3 emissions from business flights. As a result, V-ZUG is able to offer its customers appliances from carbon-neutral production. Every year, additional sections of forest are planted in the

reforestation project: in 2024, the foundation integrated over 100,000 trees as regional seedlings of Scottish mixed forests into the existing stock, thereby reforesting approximately 70 hectares.

The “V-Forest” also includes contributions from customers voluntarily offsetting the CO₂ emissions caused by their appliance use via the global **CO₂ web shop**. This takes into account the respective load current of the country. The **CO₂ web shop** is a further measure, which V-ZUG uses to address downstream Scope 3 emissions.

SBTi climate targets and TCFD report

In the reporting year, V-ZUG submitted its short-term climate targets for the period 2020–2030 to the Science Based Targets Initiative (SBTi). By 2030, V-ZUG aims to reduce Scope 1 and Scope 2 emissions by 80 % and Scope 3 emissions by 30 %. In doing so, V-ZUG is pursuing a significantly greater CO₂ reduction in Scope 1 and Scope 2 than the 42 % prescribed by SBTi. Due to the high dependencies in the case of Scope 3 emissions, V-ZUG has intentionally not submitted a long-term net-zero target for 2050 as defined by SBTi. Detailed information on this can be found in the climate report.

For the 2024 financial year, V-ZUG is reporting in line with the rules of the Taskforce on Climate-Related Financial Disclosures (TCFD) for the second time. The report provides a holistic view of climate risks and contains updated information, as well as developments in governance, strategy, risk management, and targets and metrics ([TCFD](#)).



Targets, facts and figures

Targets	Baseline and target years	Status
CO₂ emissions		
To be carbon-neutral at all production sites in Scope 1 and 2 (incl. offsetting)	Annual review	Achieved (since 2020)
To reduce the remaining Scope 1 and 2 emissions by 80 % (long-term ambition: 100 %)	2020; 2030	On track
To have transparency regarding our Scope 3 emissions	n.a.; 2021	Achieved (since 2021)
To reduce Scope 3 emissions by 30 %	2020; 2030	On track
Environment and waste		
To continuously reduce the amount of waste through targeted initiatives and by optimising disposal methods. For years, we have not disposed of any waste in landfill sites, and we are maintaining this approach.	2020; 2030	On track
To reduce the relative impact on the environment continuously and increase ecological efficiency by at least 40 % by 2030 (ecological efficiency: environmental impact relative to net sales)	2020; 2030	On track

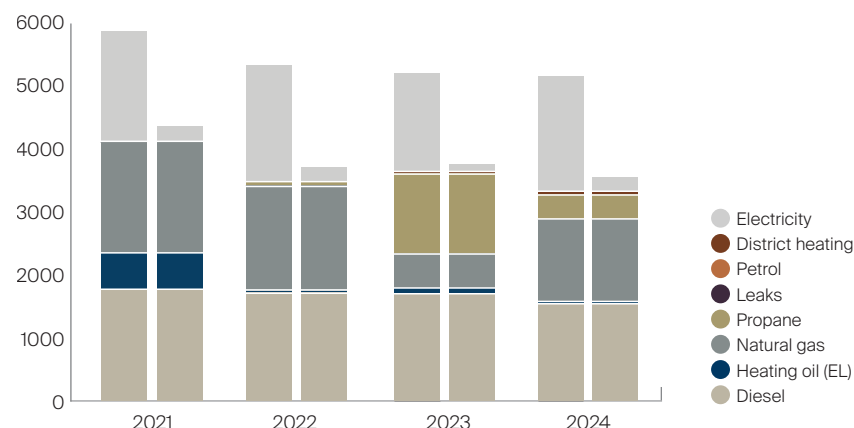
Targets, results and status in relation to the focus topic "Environment and climate protection" (abbreviated; details in the appendix to the Sustainability Report)
 Possible statuses: Achieved, On track, Delayed, Not achieved (if new target: Initiated)

Contribution to SDGs 7, 9, 12 and 13



Climate change, environmental impact and biodiversity loss require decarbonisation throughout all of society. V-ZUG is taking various measures: The "Multi Energy Hub" power supply system reduces the environmental impact. The vertical mode of production takes up less ground area. The share of renewable energy used at the Zug and Sulgen sites is rising continuously. In order to increase energy and resource efficiency in the manufacture of appliances, V-ZUG uses optimised production facilities. An internal CO₂ levy enables investments in favour of sustainability. Remaining CO₂ emissions are offset by the "V-Forest" reforestation project. This growing forest is removing CO₂ from the atmosphere and sequestering it for the long term. At the same time, it is promoting local biodiversity.

CO₂ emissions (Scope 1 and 2) in t



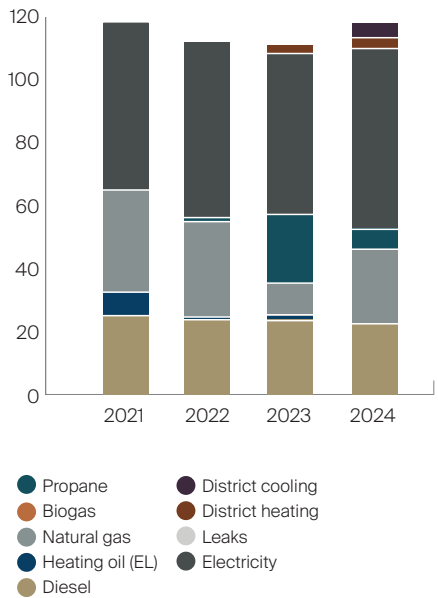
Scope 1 and Scope 2 emissions decreased by 5.4 %

Thanks to ongoing transformation at the Zug site, emissions fell by 5.4 % in the reporting year (total of 3,541 t CO₂). The expansion of the Multi Energy Hub (MEH) at the Zug site is progressing. During the reporting year, however, various areas were still running in duplicate (transformation). In addition, the existing buildings will no longer be connected to the MEH, as they will be demolished by 2030 and replaced by new buildings. The gradual decarbonisation of the V-ZUG vehicle fleet (trucks and service vehicles) contributes positively to the reduction, as well as the reduction of propane gas in Zug, which was completely discontinued in September.

We are now showing the emissions generated by purchased electricity (Scope 2) twice: once as market-based (right-hand bar; procurement of renewable power, 100 % Swiss hydropower for Zug and Sulgen), and once as location-based (left-hand bar, emissions of power obtained at sites). This serves to provide transparency and comparability for the emissions generated from power consumption.

Scope 3 emissions (eleven relevant categories) can be seen in the accompanying [GRI index](#).

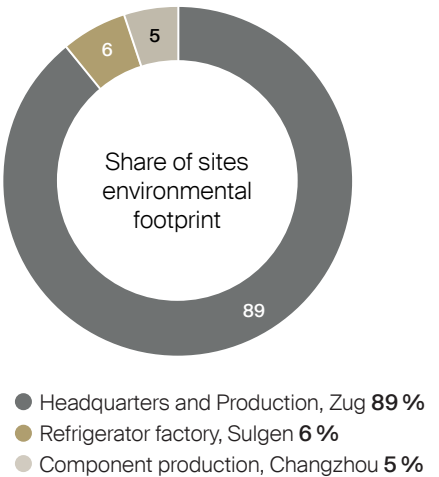
Energy consumption at V-ZUG by energy source (in terajoules)



Absolute energy consumption increased, emissions reduced

In 2024, the absolute energy consumed by V-ZUG was 114.38 terajoules. This is composed as follows: Electricity (48.46%), district heating (3.03%), district cooling (3.76%), natural gas (20.59%), biogas (0.07%), heating oil (0.10%), propane gas (5.64%) and diesel (18.35%) for our vehicle fleet. Compared to 2023, energy consumption increased by 6.18%. Despite increased consumption, Scope 1 and Scope 2 emissions were reduced by 5.4% thanks to an optimised energy mix.

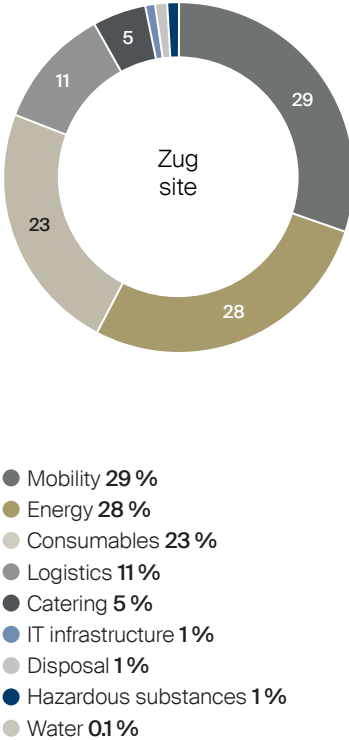
Percentage share of sites in the overall environmental footprint



Environmental footprint in ecopoints (EPs)

In addition to the product life cycle assessments, we also perform business life cycle assessments for our three production sites. We use these facts to achieve a targeted reduction and calculate the environmental efficiency (environmental impact relative to net sales). The figure above shows the percentage share of sites in the overall environmental footprint. The figure on the right shows the detailed breakdown for the headquarters in Zug.

Operational life cycle assessment for Zug site (headquarters), 2024



Categories and subcategories	EPs	(mPt)	Shares of the subcategories
Energy	3,755	(28 %)	
Heating			76.4%
Electricity			23.5%
Cooling			0%
Hazardous substances	131	(1%)	
Hazardous substances			3.5%
IT infrastructure	128	(1%)	
Desktop			1.1%
Laptop			1.0%
Monitors			1.3%
Logistics	1,450	(11%)	
Internal trucks			38.6%
Mobility	3,975	(29 %)	
Business travel			16.9%
Service			88.9%
Consumables	3,129	(23 %)	
Paper			10.1%
Packaging			73.2%
Catering	721	(5 %)	
Food			13.1%
Drinks			6.1%
Water	16	(0.12 %)	
Freshwater			0.4%
Disposal	194	(1%)	
Wastewater			0.5%
Composted			0.0%
Recycled			0.0%
Hazardous waste / chemicals in general			4.2%
Incinerated			0.5%
Total	13,500		

Entrepreneurship for sustainable prosperity

V-ZUG strives for sustainable performance, while also having a positive impact on the common good and the environment. The company is committed to Switzerland as a business location and is driving the transformation in Zug. V-ZUG tests innovative ideas and business models and facilitates partnerships to benefit the circular economy. Suppliers must also comply with high social and environmental standards. Legally compliant business activities are a prerequisite for keeping the company's reputation intact.

Future-oriented site

V-ZUG is convinced of the future viability and economic advantages of its Swiss production sites. The well-trained specialists are driving innovation within the company. The company's long-term success ensures local jobs and further sustainability efforts.

With the site transformation, V-ZUG is investing in its own productivity and efficiency as well as the general attractiveness of Zug. In collaboration with the **Tech Cluster Zug** and other partners, flagship projects are being implemented in the areas of housing, construction, work and mobility. When planning and implementing these projects, ecological aspects are prioritised. As in previous years, V-ZUG invested around CHF 50 million in modernising its production lines and buildings in 2024. During the reporting year, many production lines were relocated to the premises of the newly established production building "Zephyr Ost". The new production buildings "Mistral", "Zephyr Hangar", "Zephyr East", and the existing "ZUGgate" high-bay warehouse comprise the now finalised V-ZUG vertical factory and cover all of the company's production areas. In 2024, the tender for the last new building, the "Zephyr West" office building, was also launched and completed. Construction is expected to be completed in 2027. With the completion of "Zephyr Ost", V-ZUG has invested over CHF 300 million in the Swiss facilities over the last eight years. The modern infrastructure enables efficient production and ensures jobs in Switzerland over the long term.

Responsible management

Compliance violations, unethical conduct and unfair advertising or anti-competitive business practices may harm the reputation of V-ZUG and thus jeopardise its success. V-ZUG Group's Code of Conduct and the anti-corruption regulations stipulate the ethical standards that all

business activities must follow. It is based on corporate values, applicable laws, the UN General Declaration of Human Rights as well as internal policies. It is binding for all V-ZUG Group employees and is part of the employment contract. Compliance audits are performed to ensure that the code is properly implemented. In 2024, employees completed a mandatory training course on the Code of Conduct using an e-learning platform. Any non-compliance must be reported to line management, the internal legal department or, for serious grievances, to the external reporting point of Stiftung Krisenintervention Schweiz (the Swiss Crisis Intervention Foundation). Employees who make a report in good faith need not fear that this will have any negative repercussions for their employment at the company. In 2024, six reports were received.

IT security and data protection

The protection of our customers' privacy and data rights is enshrined in the Code of Conduct and in the V-ZUG privacy statement. With the increasing number of household appliances being connected, relevant data protection laws must be observed. In addition, robust IT security systems protect the company from cyber risks and potential production failures.

The Chief Technology Officer (CTO) is responsible for IT and security strategy for the entire V-ZUG Group. He is in charge of the Head of IT and the ICT Security department, which implement the strategy with concrete measures. The Cybersecurity Committee regularly analyses the risk landscape. The ICT infrastructure is monitored around the clock by external specialists. The Head of the Legal department is responsible for compliance with national and international data protection laws.

The V-ZUG security system is based on international standards. Annual security audits are conducted to identify vulnerabilities and initiate improvements. Employees are made aware of ICT security and data protection issues through phishing tests. Internal policies govern the handling of telecommunications equipment, data and confidential information.

Efficient supply chain management

Given the regulatory situation, supplier management is becoming increasingly important. Business due diligence obligations are implemented transparently and can thus have a positive effect on working conditions in the supply chain and on the natural environment (see [DDTrO Report](#)). This prevents reputational damage.

V-ZUG has continuously expanded supplier management in recent years. Since 2024, the Code of Conduct for Suppliers has been an integral part of the General Terms and Conditions and therefore of all of V-ZUG's supplier contracts. It is based on international standards, in particular the OECD Guidelines for Multinational Enterprises, the core conventions of the International Labour Organization and the UN Global Compact. In addition, an internal procurement manual was issued in 2024. Among other things, it supports the enforcement of the Code of Conduct for Suppliers and clarifies internal responsibilities. In the reporting year, all Procurement department employees received training on the new handbook. The "Tacto" procurement system was also introduced, which includes the previous risk management tools "Sphera" and "Integrity Next". Global real-time information continuously monitors the ESG and compliance performance of key suppliers. The integrated system allows for transparent and efficient supplier management. Supply difficulties, quality reductions and financial losses can be prevented. Potential human rights risks or environmental risks in supply chains can be identified and proactively addressed.

V-ZUG reserves the right to carry out audits at its suppliers' premises, particularly in the event of a reasonable suspicion of violations of the cited standards. Obvious or suspected breaches must be reported to the Compliance department. In the reporting year, 83 supplier audits were carried out. No suppliers were excluded due to increased risk.

Sustainable procurement

V-ZUG favours suppliers who pay attention to the energy and resource efficiency as well as the circularity of their products and services. Geographical proximity is also an advantage because having shorter transport routes reduces emissions. Around 60 % of V-ZUG's suppliers are based in Switzerland, and another 30 % or so are located in nearby European countries. Electronic components are primarily sourced from Asia. V-ZUG has a zero-tolerance attitude towards forced labour and child labour. Fair working conditions and wages as well as high occupational safety standards are equally important. Suppliers certified by independent organisations with a high degree of transparency are prioritised. New suppliers must submit a self-assessment, disclose financial information and, if necessary, undergo a pre-audit. Sustainability criteria are systematically taken into account in this process.

V-ZUG focuses on long-term, partnership-based supplier relationships. Collaboration is key for competitiveness as well as for circular innovations. When selecting new suppliers, a willingness to innovate is a prerequisite for cooperation. During the reporting year, V-ZUG expanded its partnership with Outokumpu, a green steel producer, and engaged with other providers. Thanks to the latest market developments, suppliers of low-carbon steel have already achieved economies of scale, which lowers procurement costs for V-ZUG.

Social commitment to greater sustainability

V-ZUG is committed to sustainable development in a variety of ways. As a member of associations, V-ZUG actively provides impetus and participates in cross-sector exchange. This can, in turn, lead to new partnerships. In the reporting year, V-ZUG joined the Swisscleantech business association. In addition, the CEO of V-ZUG is represented on the Board of Trustees of the Swiss Foundation for the Recycling of Electrical and Electronic Appliances (SENS) as well as on the Board of Directors of the Electrical Appliances Trade Association (FEA). Moreover, V-ZUG is a co-founder of the [Association for the Decarbonization of Industry](#), which was initiated by the [Tech Cluster Zug](#).

In order to drive innovation, V-ZUG regularly works with Swiss universities. Since 2024, the company has partnered in implementing the Circulus project, led by the Zurich University of Applied Science (ZHAW) and funded by Innosuisse. The project will show concrete steps on how the machinery, electrical and metal industries in Switzerland can be transformed into circular industries. The "V-ZUG Exploration Lab" was also launched in 2024: rotating teams from V-ZUG test new ideas with students from ETH Zurich, for example, in the area of business models.

V-ZUG sponsors select civil society and sporting events (see "Our engagements"). Since 2022, it has been the main partner of "Lucerne Dialogue", a leading European economic conference. Every year, young V-ZUG employees participate in the conference and expand their perspective.

Lastly, the V-ZUG pension fund is pursuing a sustainable strategy of investment. The assets of around CHF 800 million are managed in accordance with ESG criteria, including investments in future-fit business areas – an added value for society as a whole.

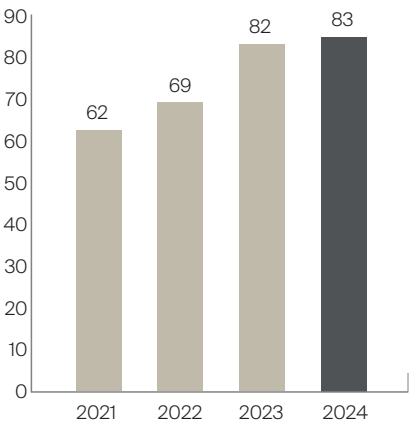
Targets, facts and figures

Targets	Baseline and target years	Status
To generate a significant two-digit EBIT margin in the medium term (10–13%), in order to be able to invest sustainably and thereby maintain our future viability	Annual review	Not achieved
To achieve organic sales growth of 3%	Annual review	Not achieved
To have audited all our key suppliers (covering at least 80 % of our sales volume) in line with sustainability criteria	n.a.; 2025	On track
To account for one core element per product category, with a transparent supply chain down to the lowest possible level	n.a.; 2025	On track

Targets, results and status in relation to the focus topic “Entrepreneurship for sustainable prosperity” (abbreviated; full details in the appendix to the Sustainability Report)

Possible statuses: Achieved, On track, Delayed, Not achieved (if new target: Initiated)

Number of supplier audits involving social and environmental criteria



Supplier audits up 1.2 %

In the reporting year 2024, we were able to conduct 83 supplier audits on site. This shows how important it is to V-ZUG for suppliers to meet its high requirements in terms of quality and sustainability.

Contribution to SDGs 8, 9 and 12



Excellence and innovation play a key role in making our company future-fit. In order to secure this, V-ZUG enters into external partnerships. The company also invests in a modern, resource-efficient production facility. At its sites, the company develops more sustainable infrastructure in tandem with local stakeholders in order to be able to operate more efficiently and for the benefit of society, the economy and the environment. V-ZUG offers attractive industrial jobs and supports local businesses by procuring goods and services from local sources. Along with its partners, the company works to promote the implementation of environmental and social standards throughout the supply chain and highly values long-term supplier relationships.

Corporate Governance Report



All information in this Corporate Governance Report refers to the situation as of 31 December 2024 (the **“Balance Sheet Date”**) or to the 2024 financial year (the **“Reporting Year”**), unless otherwise stated. The V-ZUG Group complies with all the legal and regulatory requirements for corporate governance in Switzerland to which the Group is subject, including the principles of the “Swiss Code of Best Practice for Corporate Governance” issued by economiesuisse, in the latest version as of the Balance Sheet Date in each case (the **“Swiss Code”**).

This Corporate Governance Report refers to V-ZUG Holding AG’s Articles of Association of 25 April 2023 (**“Articles of Association”**) and the Organisational Regulations of 1 July 2023. No material changes occurred between 31 December 2024 and the editorial deadline for this Annual Report, other than the facts disclosed in this report. The content, order and numbering of the following sections correspond to those of the Directive on Information relating to Corporate Governance issued by SIX Swiss Exchange on 29 June 2022 (effective from 1 January 2023).

1 Group structure and shareholders

1.1 Group structure

The operational structure of the V-ZUG Group is outlined on [p. 7](#) of this Annual Report. The management organisation of the V-ZUG Group is essentially based on the central responsibility of the Board of Directors and the Executive Committee of V-ZUG Holding AG.

V-ZUG Holding AG, with registered office in Zug, Switzerland, is the sole listed company in the V-ZUG Group. Its registered shares are listed on the Swiss Reporting Standard of SIX Swiss Exchange, Zurich, Switzerland. More detailed information on V-ZUG Holding AG, including its stock market capitalisation, reporting segment, security number and ISIN, is provided on [p. 181](#) of the Annual Report.

The legal group structure and the list of consolidated companies and their non-listed subsidiaries are shown on p. 101 of the Financial Report and include substantial shareholdings.

1.2 Shareholders

As at 31 December 2024, 3,336 shareholders were entered in V-ZUG Holding AG’s share register with voting rights (previous year: 3,489). Shares pending registration (shareholders not entered in the share register) amounted to 10.67% as of 31 December 2024 (previous year: 6.58 %).

All significant shareholders known to V-ZUG Holding AG with a voting rights share of more than 3% as of 31 December 2024 are listed below.

Significant shareholders

	Registered shares	Votes in %	Registered shares	Votes in %
Quantity	2024		2023	
Metall Zug AG	1,945,871	30.27	1,945,871	30.27
Elisabeth Buhofer-Rubli	643,570	10.01	643,370	10.01
Shareholder group Stöckli ¹⁾	524,151	8.15	524,127	8.15
Werner O. Weber ²⁾	506,290	7.88	506,290	7.88
Annelies Häcki Buhofer ³⁾	374,828	5.83	374,828	5.83
Heinz M. Buhofer ⁴⁾	324,210	5.04	322,835	5.02
Vontobel Fonds Services AG	232,933	3.62	232,933	3.62

¹⁾ Hubert Stöckli-Hernandez, Helen Jauch-Stöckli, Johannes Stöckli, Elisabeth Stöckli Enzmann, Matthias Stöckli-Aguilar (shareholders’ agreement).

²⁾ Held indirectly through WEMACO Invest AG, Zug.

³⁾ Mainly held indirectly through Holmia Holding AG, Zug.

⁴⁾ Partly held indirectly through Werma GmbH, Zug.

In the 2024 financial year, a disclosure notification was issued in accordance with Article 120 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015 (Financial Market Infrastructure Act, FinMIA) and associated regulations: on 16 May 2024, shares in Metall Zug AG were exchanged between the beneficial owners of Metall Zug AG (according to the disclosure notification regarding Metall Zug AG).

Further details of this disclosure notification and the disclosure notifications since V-ZUG Holding AG’s stock market listing can be found on the website of the Disclosure Office and SIX Exchange Regulation (www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html).

1.3 Cross-shareholdings

There are no cross-shareholdings with other companies limited by shares where the capital or voting rights on both sides exceed 5%.

2 Capital structure

2.1 Capital

As of 31 December 2024, the ordinary share capital of V-ZUG Holding AG amounted to CHF 1,735,714.17, divided into 6,428,571 registered shares, each with a nominal value of CHF 0.27 (single share class). The share capital is fully paid up.

2.2 Capital band and conditional capital in particular

V-ZUG Holding AG has neither a capital band nor any conditional capital.

2.3 Changes in capital

No changes in capital occurred in the Reporting Year or in the two financial years preceding it.

2.4 Shares and participation certificates

Detailed information regarding V-ZUG Holding AG's shares (the number, type, nominal value and listing information) can be found in section 2.1 "Capital" above, on [p. 181](#) of the Annual Report and in the Financial Report on [p. 97](#) under the note "Shareholders' equity".

Dividend entitlement is in proportion to the share capital held. Each share entitles the holder to one vote. The shares are fully paid up.

V-ZUG Holding AG has not issued any participation certificates.

2.5 Profit-sharing certificates

V-ZUG Holding AG has not issued any profit-sharing certificates.

2.6 Limitations on transferability and nominee registrations

In relation to the company, only parties registered in the share register are recognised as shareholders. In accordance with Article 7 of the Articles of Association, the transferability of registered shares is restricted as follows:

On request, acquirers of registered shares are registered in the share register as shareholders with the right to vote, provided that

- the recognition of an acquirer as a shareholder according to the information available to the company does not or could not prevent the company and/or its subsidiaries from providing the evidence required by law regarding the composition of its shareholder base and/or beneficial owners. The company particularly reserves the right to refuse entry in the share register if acquirers do not prove that they are not foreign non-residents pursuant to the Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents of 16 December 1983 (ANRA) and if the company considers such registration could obstruct, threaten or prevent the provision of statutory evidence regarding Swiss control of the company, and
- they expressly declare that they have acquired the registered shares in their own name or for their own account.

After hearing the parties involved, the company may delete entries in the share register with retroactive effect from the date of the entry if these entries came about due to false information supplied by the acquirer. The acquirer must be informed of the deletion immediately.

In the 2024 financial year, V-ZUG Holding AG did not decline any registrations or grant any exceptions.

V-ZUG Holding AG does not offer any nominee registrations. To date, no need has been expressed by shareholders for registrations of this kind.

For the procedure and conditions for removing restrictions on transferability, see section 6.2 of this Corporate Governance Report.

2.7 Convertible bonds and options

V-ZUG Holding AG does not have any convertible bonds or options outstanding.

3 Board of Directors

3.1 Members of the Board of Directors

In accordance with Article 16 para. 1 of the Articles of Association, the Board of Directors of V-ZUG Holding AG consists of at least three members. Since the Annual General Meeting on 19 May 2020, it has consisted of the members listed below, who have their business addresses at the company's headquarters (Industriestrasse 66, 6302 Zug) and were re-elected by the Annual General Meeting on 23 April 2024.

All members of the Board of Directors are non-executive; in other words, they do not hold any operational management function at V-ZUG Holding AG or any other V-ZUG Group company.

The members of the Board of Directors did not belong to the Executive Committee of V-ZUG Holding AG or that of any other company within the V-ZUG Group or the Metall Zug Group during the three financial years preceding the Reporting Year and have no significant business links with the V-ZUG Group or the Metall Zug Group. All members of the Board of Directors can be considered to be independent as defined in Article 15 of the Swiss Code.

3.2 Other activities and interests

Apart from the functions mentioned above, none of the members of the Board of Directors has a permanent management or advisory function for an important Swiss or foreign interest group, nor an official function or political post.

3.3 Number of permitted additional mandates (Board of Directors)

In accordance with Article 26 of the Articles of Association, the number of permitted activities of the members of the Board of Directors and the Executive Committee that they may practise in other companies is limited as follows:

Type of mandates	Number per member BoD/ Executive Committee
Mandates in listed companies	4
Remunerated mandates in other, non-listed companies	6

Mandates are classed as such if they are held in comparable functions at another commercial company. Mandates in several different companies under uniform control count as a single mandate. If the company holds an ownership interest in another company and a member of

the Board of Directors or the Executive Committee holds a mandate in such a company on the instructions of and in the interests of the company, such a mandate does not count as an additional mandate. The above numbers are cumulative; the mandate at V-ZUG Group does not count towards these figures. In calculating the number of mandates, a chairmanship counts double. Members of the Executive Committee generally require the approval of the Board of Directors for external mandates.

3.4 Elections and terms of office

Members of the Board of Directors are elected by the General Meeting on an individual basis and for a period of one year in each case. They may be re-elected at any time but automatically retire upon reaching the age of 70, that is, on the date of the subsequent Annual General Meeting. The Chairman of the Board of Directors, the members of the Human Resources & Compensation Committee and the independent representative are each elected directly by the General Meeting for a term of one year (Articles 9, 14 and 16 of the Articles of Association).

3.5 Internal organisational structure

According to the law, the Board of Directors holds the highest decision-making power and specifies, among other things, the organisational, financial planning and accounting policies that companies of the V-ZUG Group must comply with. Decisions are made by the entire Board of Directors with the assistance of the Executive Committee and three committees: the Audit Committee, the Digitalisation Advisory Board and the Human Resources & Compensation Committee. The latter is assigned all the duties and responsibilities imposed on compensation committees by the Swiss Code of Obligations. The Board of Directors is responsible for overall supervision and, among other things, exerts an influence on the strategic direction of the V-ZUG Group, allocates financial resources, appoints the members of the Executive Committee and is involved in filling further top executive positions. The Board of Directors may issue rules, guidelines and recommendations for the purpose of realising a coherent business policy.

Full Board of Directors

The Board of Directors has delegated the management of day-to-day business for the V-ZUG Group to the Executive Committee. The Board of Directors generally meets quarterly. The Board of Directors met in person at four ordinary half-day meetings in the 2024 financial year. In addition, the Board of Directors held another five meetings by video conference or conference call, each lasting around one and a half to two hours. The Board of Directors addressed selected topics relating to the V-ZUG Group's strategy on the occasion of two

separate workshops in June (a full day) and in September (a half day) together with the Executive Committee. With the exception of two meetings and two video conferences from which one member excused themselves in each case, the Board of Directors was fully represented at all meetings, video conferences and conference calls in the Reporting Year.

The agenda items for the meetings of the Board of Directors are specified by the Chairman and prepared by the Secretary together with the Executive Committee. Every member of the Board of Directors plus the CEO or the CFO are entitled to request the convocation of a meeting, stating its purpose. As a rule, the members of the Board of Directors receive an invitation no later than seven days prior to the Board meeting, along with the documentation that allows them to prepare for the discussion of the agenda items. Furthermore, the Board of Directors can take decisions by circular vote.

Each year, the Board of Directors undertakes a self-assessment in which, in particular, the Board of Director's structure, method of working and fulfilment of responsibilities but also the collaboration between the Board of Directors and the Executive Committee and the organisation of the meetings of the Board of Directors are analysed and discussed in detail.

Audit Committee

The Audit Committee met in person at four ordinary meetings in the 2024 financial year and held five ordinary meetings via video conference or conference call. Half-day in-person meetings are usually held once a quarter, with monthly video conferences or conference calls that last around one hour taking place in between. The Audit Committee oversees the preparation of the Annual Report and makes an independent assessment of the quality of the annual financial statements and discusses these with the Executive Committee and the external auditors. It proposes to the Board of Directors when the financial statements may be recommended for submission to the General Meeting. The Audit Committee determines the staffing and organisation of the internal audit department, assigns tasks to it and reports to the entire Board of Directors. It specifies the audit plan and audit scope of the internal audit department and the external auditors and evaluates their cooperation and effectiveness. The Audit Committee assesses the effectiveness of the internal control system, including risk management, and evaluates compliance with laws, regulations and accounting standards, as well as adherence to internal rules and directives. It assesses the external auditors' performance and their remuneration, ensures that the external auditors are independent and assesses the compatibility of their auditing function with any advisory mandates. The Audit Committee also undertakes additional tasks in accordance with internal regulations (not publicly available).

The members of the Audit Committee are Tobias Knechtle (Chair) and Annelies Häcki Buhofer. In addition to the CEO and CFO, a representative from Group Legal & Compliance (usually simultaneously the secretary of the Audit Committee) and a representative from Group Finance & Controlling plus representatives from the external auditors and the internal audit department (for reporting on the issues of the internal audit department respectively) also take part in Audit Committee meetings. With the exception of one meeting, one video conference and conference call, from which one member excused themselves in each case, the members of the Audit Committee were fully represented at all meetings, video conferences and conference calls in the Reporting Year.

Human Resources & Compensation Committee

In the Reporting Year, the Human Resources & Compensation Committee met in person at four ordinary meetings and held two ordinary meetings by video conference or conference call. Half-day in-person meetings and two video conferences or conference calls that last around an hour to an hour and a half are usually held each quarter. As well as performing the duties and responsibilities assigned to the compensation committee under the Swiss Code of Obligations, the Human Resources & Compensation Committee develops the principles of corporate governance, which are then submitted to the Board of Directors for approval. This includes a periodic review of the composition and size of the Board of Directors and its committees and of the Executive Committee. The Human Resources & Compensation Committee also submits proposals to the Board of Directors for qualified candidates for various committees. It also submits proposals to the Board of Directors for the remuneration of the Board of Directors and the Executive Committee. It develops and reviews the objectives and principles of the company's human resources policy for the attention of the Board of Directors, prepares the appointment of members of the Executive Committee and approves selected personnel decisions. Finally, it reviews the basic structures in the area of the pension fund with regard to the scope and content of benefits, as well as the status of the pension programmes of the Group companies. It then reviews the annual appraisal of members of the Executive Committee and keeps itself informed about personnel development and HR succession planning. The Human Resources & Compensation Committee also undertakes additional tasks in accordance with internal regulations (not publicly available).

The Human Resources & Compensation Committee consists of Prisca Hafner (Chair) and Jürg Werner (member). As permanent guests, the CEO and Chief Human Resources Officer take part in meetings of the Human Resources & Compensation Committee, except when matters are being discussed that affect those people themselves. The members of the Human Resources & Compensation Committee were fully represented at all meetings, video conferences and conference calls in the Reporting Year.

Digitalisation Advisory Board

The Digitalisation Advisory Board met in person at two ordinary meetings in the Reporting Year. It usually holds half-day in-person meetings on a quarterly basis. In 2024, the Digital Advisory Board meetings were suspended in the first half of the year. The Digitalisation Advisory Board advises the Board of Directors and the Executive Committee on the digital roadmap and on identifying and assessing ideas, as well as sharing best practices. In addition, it provides advice on decisions relating to insourcing or outsourcing and whether to invest in or continue digital projects. It also monitors selected strategic projects. It assists V-ZUG's digital team with important platform and technology decisions, with identifying trends and analysing the competition, and with the introduction of agile development processes. The Digitalisation Advisory Board also carries out additional tasks in accordance with internal regulations (not publicly available).

Three external experts currently serve on the Digitalisation Advisory Board: Dirk Reznik, CEO AMC International; Andreas Häberli, Co-CEO and Co-Founder of PhenoSign; Dietmar Bettio, Chief Digital Transformation Officer, SHL Medical. The committee's members from V-ZUG are Petra Rumpf (Chair) and Oliver Riemenschneider. In addition to the CEO, the CTO, the Head of Digital Products and Services as well as other guests usually attend the meetings of the Digital Board. With the exception of one meeting, from which one member excused themselves, the members of the Digital Advisory Board were fully represented at all meetings in the reporting year.

3.6 Competence matrix

The V-ZUG Group is managed as a group, with the CEO and the Executive Committee being operationally responsible for management and target attainment. The Executive Committee's remit is essentially universal. Although the Board of Directors may be responsible, the Executive Committee is responsible for conceptual initiatives and for taking advantage of promising business opportunities until the point of decision is reached.

In order to define the areas of responsibility between the Board of Directors and the Executive Committee, the Board of Directors has issued organisational regulations. These Organisational Regulations contain fundamental compliance principles that are valid for the entire V-ZUG Group. They form the legal basis for issuing further regulations and make reference to them. The Organisational Regulations are supplemented by a comprehensive competence matrix that defines the responsibilities and powers of the various committees and bodies within the V-ZUG Group in general and also for different business operations. If existing regulations at subsidiary level have not yet been modified in line with the Organisational Regulations and the competence matrix at Group level, the latter will take precedence.

The current version of the Organisational Regulations dated 1 July 2023 can be found at www.vzug.com/ch/en/corporate-governance. The competence matrix is not publicly available.

3.7 Information and control instruments vis-à-vis the Executive Committee

Extensive management information is compiled within the V-ZUG Group every six months in the form of consolidated financial statements for the V-ZUG Group (income statement, balance sheet and cash flow statement). These consist of the two segments Household Appliances and Real Estate plus the Corporate reporting segment. The half-yearly financial statements are submitted to the Audit Committee and the Board of Directors and are explained in detail by the Executive Committee. The results are compared with the previous year's period and the budget. The budgets are reviewed several times a year in the form of extrapolations to establish how attainable they are. Regular reports are made to the Board of Directors and the Executive Committee concerning the results and progress towards budget attainment. Each month, the Chairman of the Board of Directors and the members of the Audit Committee receive key performance indicators (in the form of a "cockpit") and written comments on business progress and other aspects of the operational business and the relevant market environment. The entire Board of Directors receives this information at each ordinary Board meeting. At these meetings, the Executive Committee provides extensive information on business operations. The subsidiaries' individual financial statements, which are prepared each month, form the basis of the V-ZUG Group's consolidated financial statements. The annual financial statements of the individual subsidiaries are presented to the Audit Committee once a year.

The internal audit department conducts regular audits. The results of these audits are discussed in detail with the Executive Committee and the key measures are agreed. The Chairman of the Board of Directors, members of the Audit Committee, members of the Executive Committee and other line managers of the audited unit receive a copy of the audit report. In

addition, the reports and the key measures agreed are discussed by the Audit Committee. The internal audit department reports administratively to the CFO but reports on functional matters directly to the Chair of the Audit Committee. Three internal audits were conducted in the Reporting Year.

The V-ZUG Group has an appropriate system for monitoring and managing the risks associated with the company's activities. Risk management is a structured process that essentially encompasses all hierarchical levels. This process encompasses risk identification, risk analysis, risk management and risk reporting. The Executive Committee is responsible for monitoring and managing risks at an operational level. Particular people are assigned responsibility for significant individual risks. They take specific measures to manage these risks and monitor their implementation. On behalf of the Audit Committee, a risk report is drawn up and submitted to the Board of Directors at regular intervals, usually once a year.

In terms of insurance, companies of the V-ZUG Group have risk-appropriate cover in line with industry standards and, in particular, are insured appropriately against operational risks such as damage to property, business interruption and third-party liability.

In terms of business risks, the V-ZUG Group deals not only with those risks identified under the risk management system described above, but also interest rate and currency risks. Currency risks are assessed centrally by the CFO in consultation with the Chair of the Audit Committee and hedged on a case-by-case basis as appropriate.

Board of Directors



Oliver Riemenschneider
(CH/DE) Born 1962

Dipl. Ing. (MSc in Engineering), ETH Zurich;
MBA, City University,
Bellevue, Washington (USA).

- Chairman of the Board of Directors (non-executive), independent member
- First elected to the Board of Directors: 2019
- Elected until: 2025 Annual General Meeting

Professional background

- Senior Consultant at Consenec AG, Baden, since September 2022;
- Senior Advisor of the President of the Process Automation unit at ABB Group, Zurich, March to August 2022;
- President of the Turbocharging Division at ABB Group, Zurich, 2011 to February 2022;
- Various management functions at ABB Group, Zurich, 1991–2011, of which seven years in Japan.

Other positions within the V-ZUG Group

- Member of the Board of Directors of V-ZUG AG, Zug, May 2019 to October 2020 (Chairman from September 2019);
- Member of the Board of Directors of SIBIRGroup AG, Spreitenbach, September 2019 to October 2020;
- Member of the Board of Directors of V-ZUG Kühltechnik AG, Sulgen, September 2019 to October 2020.

Other activities in management and supervisory bodies

- Chairman of the Board of Directors of Accelleron Industries AG, Baden, Switzerland.



Annelies Häcki Buhofer
(CH) Born 1954

Prof. Dr phil., University of Zurich.

- Member of the Board of Directors (non-executive), independent member
- First elected to the Board of Directors: 2020
- Elected until: 2025 Annual General Meeting

Professional background

- Full Professor of German Linguistics at the University of Basel and various management functions at the Faculty of Philosophy and History, 1989–2015;
- Various activities in governing bodies of national and international companies, 1989–2020;
- Member of the Research Council of the Swiss National Science Foundation, 2010–2016.

Other positions within the V-ZUG Group

- Member of the Audit Committee;
- Member of the Board of Directors of V-ZUG AG, Zug, May 2016 to May 2020.

Other activities in management and supervisory bodies

- Member of the Board of Directors of Zug Estates Holding AG, Zug;
- Member of the Board of Directors of Cham Group AG, Cham;
- Member of the boards of directors of additional non-listed companies.



Prisca Hafner
(CH) Born 1967

Federal Diploma of Higher Education in Finance and Accounting, Commercial Business School Schwyz; Diploma in Human Resources Management and CAS Executive Coaching, Institute of Applied Psychology (IAP/ZHAW), Zurich.

- Member of the Board of Directors (non-executive), independent member
- First elected to the Board of Directors: 2020
- Elected until: 2025 Annual General Meeting

Professional background

- Independent consultant in HR, leadership and transformation since April 2020;
- Chief Human Resources Officer at COMET Group, Flamatt, 2018 to March 2020;
- Global Head of Human Resources at Oerlikon Surface Solutions and Oerlikon Balzers, Balzers (LI), 2008–2016;
- Various HR roles at Credit Suisse, Zurich and London (UK), 1990–2007.

Other positions within the V-ZUG Group

- Chair of the Human Resources & Compensation Committee.

Other activities in management and supervisory bodies

- No significant activities.



Tobias Knechtle
(CH) Born 1972

Degree in political science (lic. rer. pol.), University of Bern.

- Member of the Board of Directors (non-executive), independent member
- First elected to the Board of Directors: 2020
- Elected until: 2025 Annual General Meeting

Professional background

- CFO at the Geberit Group, Rapperswil-Jona, since January 2022;
- Various mandates in private equity, 2020–2021;
- CFO and Member of the Group Executive Committee at Valora Group, Muttensz, 2014–2019;
- Senior Vice President and Vice President Finance at Kudelski Group, Cheseaux-sur-Lausanne, 2009–2014;
- Principal and most recently also managing director of Cinven Private Equity in Frankfurt am Main (DE) and London (UK), 2005–2009;
- The Boston Consulting Group in Zurich and São Paulo (BR), 1998–2005;
- Auditor and audit team Leader with global roles at the Nestlé Group, Vevey, 1995–1998.

Other positions within the V-ZUG Group

- Chair of the Audit Committee.

Other activities in management and supervisory bodies

- No significant activities.



Petra Rumpf
(DE/CH) Born 1967

Bachelor of Economics, University of Trier (DE);
MBA, Clark University, Worcester (US).

- Member of the Board of Directors (non-executive), independent member
- First elected to the Board of Directors: 2020
- Elected until: 2025 Annual General Meeting



Jürg Werner
(CH) Born 1956

Dr. sc. tech. (Doctor of Sciences & Technology), ETH Zurich; postgraduate diploma in business management, University of Lucerne.

- Member of the Board of Directors (non-executive), independent member
- First elected to the Board of Directors: 2019
- Elected until: 2025 Annual General Meeting

Professional background

- Member of the Board of Directors of Unilabs Holding AB, Stockholm (SE), September 2020 to March 2022;
- Member of the Executive Board of the Straumann Group, Basel, 2015 to December 2020 (Global Head Dental Service Organisations, 2018 to December 2020; Global Head of Intradent & Strategic Alliances, 2015 to 2018);
- Member of the Executive Board of Nobel Biocare, Zurich, most recently as the Global Head of Corporate Development and Special Channels, 2007–2015;
- Various roles at Capgemini Consulting, Zurich, most recently as Vice President Strategy & Transformation Central Europe, 1991–2007.

Other positions within the V-ZUG Group

- Chair of the Digitalisation Advisory Board.

Other activities in management and supervisory bodies

- Chair of the Board of Directors of Straumann Holding AG, Basel (Member of the Board of Directors until April 2024);
- Member of the Board of Directors of SHL Medical AG, Zug (Chair of the Audit Committee);
- Member of the Board of Directors of the Vimian Group AB, Stockholm (SE);
- Member of the Advisory Board of Limacorporate S.p.A., Udinese (IT), (until January 2024).

Professional background and previous operational activities within the V-ZUG Group

- CEO of Metall Zug AG, Zug, 2012 to March 2020;
- CEO of V-ZUG AG, Zug, 2010–2013;
- COO of V-ZUG AG, Zug, 2010;
- Head of Development and Member of the Executive Committee of V-ZUG AG, Zug, 1996–2009.

Other positions within the V-ZUG Group

- Member of the Human Resources & Compensation Committee;
- Member of the Board of Directors of V-ZUG AG, Zug, 2013 to May 2020 (Chairman until September 2019);
- Member of the Board of Directors of V-ZUG Kühltechnik AG, Sulgen, 2013 to March 2022 (Chairman until December 2020) as well as advisor to the Executive Committee of V-ZUG Kühltechnik AG, Sulgen, in 2021.

Other activities in management and supervisory bodies

- Member of the Industrial Advisory Board Dep. Mechanical Engineering and Process Engineering ETH Zurich;
- Elected full Member of the Swiss Academy of Technical Sciences (SATW), Zurich;
- Member of the Board of Directors of Komax Holding AG, Dierikon (member of the Sustainability and Innovation Committee and Audit Committee since April 2024);
- Member of the Board of Directors of Haag-Streit Holding AG, Köniz (until April 2024);
- Member of management and supervisory bodies of other Metall Zug Group companies (until April 2024).

4. Executive Committee

4.1 Members of the Executive Committee

The Executive Committee of V-ZUG Holding AG consists of eight positions. In the 2024 financial year, the Board of Directors appointed the following new members of the Executive Committee for the two open positions:

- Marcel Feurer assumed his role as Chief Swiss Market Officer at the beginning of June 2024.
- Wolfgang Schroeder, who was previously CTO a.i., assumed the position of Chief Technology Officer and completed the Executive Committee as of the beginning of July 2024.

4.2 Other activities and interests

Details of the other activities and vested interests of the current members of the Executive Committee can be found below. Various Executive Committee members hold positions in management and supervisory bodies in various V-ZUG Group subsidiaries. Apart from the activities and interests mentioned below, none of the members of the Executive Committee has a permanent management or advisory role at an important interest group, nor an official function or political post.

4.3 Number of permitted additional mandates (Executive Committee)

The number of permitted activities for members of the Executive Committee in top supervisory or management bodies of legal entities corresponds to the rules for members of the Board of Directors, which are explained in section 3.3 of this Corporate Governance Report.

4.4 Management contracts

V-ZUG Holding AG has not concluded any management contracts with third parties.

The executive management of the two real estate companies within the V-ZUG Group (V-ZUG Infra AG and V-ZUG Assets AG) is contractually delegated to Tech Cluster Zug AG (a subsidiary of Metall Zug AG, Zug) until at least the end of 2027, under the supervision of the boards of directors of the two real estate companies and V-ZUG Holding AG. Further details of this arrangement can be found in the Real Estate segment report on [p. 17 et seq.](#) of this Annual Report and on [p. 106](#) of the Financial Report under the note "Details of offsetting between the V-ZUG Group and related third parties".

Executive Committee



Peter Spirig
(CH) Born 1973

Dipl. Bau-Ing. (MSc in Civil Engineering), ETH Zurich; MBA, INSEAD, Fontainebleau (FR).

Chief Executive Officer (CEO) of the V-ZUG Group since September 2020.

Professional background

- Member of the Executive Board and Head of the Doors Division at the Arbonia Group, Arbon, 2016–2020;
- Member of the Executive Board of the Franke Group, Aarburg, and Chairman of Franke Asia in Hong Kong, 2013–2016;
- Chairman of Franke Food Service Systems Asia, Hong Kong, 2009–2013;
- Various roles for the Holcim Group, Rapperswil-Jona, resident in Jona, Zurich and Sri Lanka, most recently as CEO of Holcim (Lanka) Ltd. in Colombo (LK), 2002–2009.

Previous activities for the V-ZUG Group

- None.

Activities in management and supervisory bodies outside of the V-ZUG Group

- Member of the Council Swissmem, Zurich;
- Member of the Board of Directors of Zuger Wirtschaftskammer, Zug;
- Member of the Management Board of the Swiss Association for Electrical Household and Commercial Appliances (FEA), Zurich;
- Member of the Board of Trustees of SENS, Aarau.



Alberto Bertoz
(IT) Born 1974

Degree in electrical engineering, Politecnico Torino (IT); Executive MBA, MIB School of Management Trieste (IT).

Chief International Officer and Member of the Executive Committee of the V-ZUG Group since July 2018.

Professional background and previous activities for the V-ZUG Group

- Various roles at the V-ZUG Group, including Regional Managing Director Asia, Managing Director of Greater China and Head of IPO (International Procurement Office) Asia Pacific, 2012–2018;
- Head of Business and Development and Head of Product Development at Marcegaglia Imat SpA, Fontanafredda (IT), 2007–2012.

Activities in management and supervisory bodies outside of the V-ZUG Group

- Member of the Board of Directors of Fhiaba s.r.l., Azzano Decimo (IT).



Marcel Feurer
(CH) Born 1985

Master in Strategy and International Management, University of St. Gallen

Chief Swiss Market Officer and Member of the Executive Committee of the V-ZUG Group since July 2024.

Professional background

- Several sales and marketing functions at Hilti (Schweiz) AG in Switzerland and Belgium/Luxembourg, most recently National Sales Manager of Hilti (Schweiz) AG

Previous activities for the V-ZUG Group

- None.

Activities in management and supervisory bodies outside of the V-ZUG Group

- No significant activities.



Sandra Forster
(CH/IT) Born 1971

Lic. iur. (degree in law), University of Zurich; postgraduate degree (MAS/CAS) in Human Resources and Organisational Development, ZHAW-IAP Zurich; Executive MBA, University of St. Gallen.

Chief People & Culture Officer and Member of the Executive Committee of the V-ZUG Group since November 2020.

Professional background

- Head of People & Culture and member of the Executive Committee of ISS Schweiz AG, Zurich, April 2020 to October 2020;
- Head of Human Resources and Member of the Executive Committee of Hilti (Schweiz) AG, Adliswil, 2013 to July 2019;
- Various staff functions at Schweizerische Rückversicherungs-Gesellschaft AG; Zurich, 2007 – 2013;
- Vice Chairman and Member of the Executive Committee of Rail Gourmet Holding AG, Kloten, 2001 – 2006.

Previous activities for the V-ZUG Group

- None.

Activities in management and supervisory bodies

- Member of the Board of Trustees of the Pension Fund of V-ZUG AG, Zug.



**Adrian Ineichen
(CH) Born 1973**

Swiss certified expert for accounting and controlling, Swiss certified specialist for finance and accounting, KV Business School, Zurich.

Chief Financial Officer (CFO) and Member of the Executive Committee of the V-ZUG Group since 2015; Head of the Real Estate segment.

Professional background and previous activities for the V-ZUG Group

- Head of Finance & Controlling at V-ZUG (Shanghai) Domestic Appliance Co., Ltd., Shanghai (CN), 2014–2015;
- Head of Finance and Accounting at V-ZUG AG, Zug, 2005–2014;
- Various roles as controller at Panalpina, Basel and Hong Kong, 2002–2005;
- Various roles in management and controller positions at Collano Adhesive, Sempach, 1992–2002.

Activities in management and supervisory bodies

- President of the Board of Trustees of the Pension Fund of V-ZUG AG, Zug;
- Member of the Board of Trustees of the Welfare Fund of V-ZUG AG, Zug.



**Nathalie Noël
(BE/FR/BR) Born 1985**

Master of Arts in Marketing & Market Studies from Sciences Po, Paris (FR); Bachelor of Arts in Political Sciences from Sciences Po, Paris (FR).

Chief Marketing Officer and Member of the Executive Committee of the V-ZUG Group since August 2021.

Professional background

- Management roles in marketing at the Vitra Group, Basel, most recently from 2018 as Global Head of Marketing, April 2016 to July 2021;
- Marketing Director at Taschen GmbH, Cologne (DE), 2013–2015;
- Various roles in sales, marketing and product management at the L'Oréal Group, Paris (FR), 2008–2013.

Previous activities for the V-ZUG Group

- None.

Activities in management and supervisory bodies outside of the V-ZUG Group

- No significant activities.



**Wolfgang Schroeder
(DE/AT) Born 1981**

Dipl.-Ing. (MSc in Electronic Engineering and Information Technology), Technical University of Darmstadt (DE); Ingénieur Généraliste Ecole Centrale de Lyon (FR); MBA Collège des Ingénieurs Paris (FR)

Chief Technology Officer and Member of the Executive Committee of the V-ZUG Group since July 2024.

Professional background

- Various management positions at Siemens, including in product and portfolio management at Digital Industries (Nuremberg, DE) and Smart Infrastructure (Zug).

Previous activities for the V-ZUG Group

- Head of Digital Transformation & Business Development 2021-2024

Activities in management and supervisory bodies outside of the V-ZUG Group

- No significant activities.



**Adrian Theiler
(CH) Born 1972**

Dipl. Betr.- u. Prod.-Ing. (MSc in Industrial Management and Manufacturing), ETH Zurich; Executive MBA, University of Zurich.

Chief Operations Officer and Member of the Executive Committee of the V-ZUG Group since July 2021.

Professional background

- Various managerial roles at Landis + Gyr AG, Zug, most recently as Vice President of Supply Chain Management EMEA, 2003 to July 2021;
- Self-employed supply chain and management advisor, 2002-2003;
- Project Manager and Logistic Coordinator for The Nuance Group AG in Zurich and Sydney (AU), 2001-2002.

Previous activities for the V-ZUG Group

- None.

Activities in management and supervisory bodies outside of the V-ZUG Group

- No significant activities.

5 Compensation, shareholdings and loans: Compensation Report

For details regarding compensation, please refer to the separate Compensation Report starting on [p. 64 et seq.](#) of this Annual Report.

6 Shareholders' participation rights

6.1 Voting right restrictions and representation

All shareholders may exercise their rights at the General Meeting by attendance in person, by written proxy to another party of their choice, or through the independent representative.

The independent representative is obliged to exercise the voting rights transferred to them by shareholders in accordance with their instructions. In accordance with Article 14 of the Articles of Association, the Board of Directors ensures that shareholders have the opportunity to

- submit instructions to the independent representative on every motion relating to agenda items mentioned in the invitation to the meeting,
- submit general instructions to the independent representative on unannounced motions and new agenda items,
- grant proxies and issue instructions to the independent representative electronically.

The Board of Directors sets the rules for the procedures and deadlines for granting electronic proxies and issuing electronic instructions.

In accordance with Article 11 of the Articles of Association, the Board of Directors can specify that shareholders who are not present at the location or locations of the General Meeting may exercise their rights electronically.

6.2 Statutory quorums

The General Meeting passes its resolutions and conducts its voting with an absolute majority of the voting shares represented, unless the law (in particular Article 704 of the Swiss Code of Obligations (CO) or Articles 18, 43 or 64 of the Swiss Mergers Act) or the Articles of Association (Article 15 of the Articles of Association) contain provisions to the contrary (Article 703 CO and Article 13 of the Articles of Association).

6.3 Convocation of the General Meeting

The Annual General Meeting takes place annually no later than six months after the end of the financial year (Article 10 of the Articles of Association). The meeting is convened by letter, e-mail, fax or using other electronic communication systems that permit evidence to be presented in text form no later than 20 days before the day of the meeting. The invitation is sent to all shareholders entered in the share register, and an announcement of the convocation is also published in the Swiss Official Gazette of Commerce (SOGC) (Article 11 of the Articles of Association).

Extraordinary General Meetings are convened as often as required, in particular in those cases stipulated by law. The external auditors and the liquidators have a legal right to convene a meeting, as has the General Meeting by way of a resolution. The Board of Directors must further convene an Extraordinary General Meeting if shareholders representing at least 5% of the share capital request the convocation of such a meeting in writing, stating the agenda items and the motions. The written request must be accompanied by a statement issued by a bank confirming that the shares have been deposited until after the General Meeting (Article 10 of the Articles of Association).

6.4 Inclusion of an item in the agenda

In principle, the inclusion of an item in the agenda is determined by legal provisions. Shareholders individually or jointly representing shares with a nominal value of at least 0.5% of the share capital may request in writing, and upon specification of the motions, that items be included in the agenda or that a motion relating to an agenda item be included in the invitation to the General Meeting, with such request to be made no less than 50 days prior to the General Meeting unless the company publishes a different deadline. The written request must be accompanied by a statement issued by a bank confirming that the shares have been deposited until after the General Meeting (Article 10 of the Articles of Association).

6.5 Entries in the share register

Only those shareholders who are listed in the share register as shareholders with the right to vote on a given cut-off date may participate in and exercise their right to vote at the General Meeting. The company's Articles of Association do not contain any rules regarding the cut-off date. This is determined by the Board of Directors and generally fixed for a date a few days prior to the General Meeting. The cut-off date is published along with the invitation to the General Meeting.

7 Changes of control and defence measures

7.1 Duty to make an offer

The duty to make a public takeover offer in accordance with Articles 135 and 163 FinMIA was waived in the Articles of Association (Article 4) in accordance with Article 125 para. 3 FinMIA prior to the company being listed on the stock exchange ("opting out").

7.2 Clauses on changes of control

In the event of a change of control, V-ZUG Holding AG is not obliged to make any additional payments for the benefit of members of the Board of Directors or the Executive Committee or any other executives.

7a Transparency on non-financial matters

For details regarding transparency on non-financial matters, please refer to the separate Sustainability Report on [p. 20 et seq.](#) and to the notes on the non-financial matters on [p. 112 et seq.](#) of this Annual Report.

8 External auditors

8.1 Duration of the mandate and term of office of the lead auditor

External auditors: Ernst & Young AG, Zug.

Duration of the mandate: since the 2019 financial year for V-ZUG Holding AG (previously since 2006 for Metall Zug AG).

Lead auditor: Christoph Michel.

Date on which the lead auditor took up office: 2020.

8.2 Auditing fees

In the Reporting Year, the auditors Ernst & Young AG billed CHF 234 thousand to V-ZUG Holding AG or the V-ZUG Group respectively (previous year: CHF 231 thousand) for services in connection with the audit of the annual financial statements of V-ZUG Holding AG and the subsidiaries as well as the consolidated accounts of the V-ZUG Group.

8.3 Additional fees

The auditors Ernst & Young AG billed a total of CHF 3 thousand to V-ZUG Holdings AG or the V-ZUG Group respectively (previous year: CHF 3 thousand) as additional fees for services in connection with the examination of compliance with the minimum salary requirements set out in the collective labour agreement for the machinery, electrical and metal industries.

8.4 Information instruments pertaining to the external audit

The external auditors are elected by the General Meeting for a period of one financial year. The lead external auditor is replaced after no more than seven years. The Audit Committee is responsible for evaluating the external auditors. At least once a year, the members of the Audit Committee receive from the external auditors a summary of the audit results including any suggestions for improvements and other findings identified by the external auditors as part of their audit activities. Representatives of the external auditors are invited to all meetings of the Audit Committee. In the 2024 financial year, they took part in all the quarterly meetings. The Audit Committee assesses the performance of the external auditors on the basis of the documents, reports and presentations issued by the external auditors. In doing so, the Audit Committee evaluates the quality, relevance and contribution toward improving transparency on the basis of the statements and documentation made available by the external auditors. In addition, the committee seeks the opinion of the CFO. The fees charged by the external auditors are reviewed and compared with the auditing fees paid by other comparable Swiss industrial companies on a regular basis. Further information on the external auditors, in particular the auditing fees and the fees they have charged for additional services outside the agreed audit scope, can be found in sections 8.2 and 8.3 of this Corporate Governance Report. The Audit Committee takes care to ensure that the fees for services that fall outside the agreed audit scope do not exceed a reasonable amount, in order to safeguard the independence of the external auditors.

9 Information policy

V-ZUG Holding AG, Industriestrasse 66, 6300 Zug, Switzerland, has a transparent information policy with regard to the general public and the financial markets. It communicates openly and regularly with its shareholders, the capital market and the general public. Contact persons include the Chairman of the Board of Directors, the CEO, the CFO and the Head of Investor Relations.

Official publications of V-ZUG Holding AG are made in the Swiss Official Gazette of Commerce (SOGC). Notices to shareholders are published in the SOGC or are sent by letter, e-mail, fax or using other electronic communication systems that permit evidence to be presented in text form to the addresses listed in the share register. The Annual Report and the Half-Year Report are made available in PDF format at www.vzug.com/ch/en/financial-reports. Shareholders are sent an abbreviated print version of the Annual Report. A media and analysts conference is held each year on the date that the annual and half-year results are published.

Corresponding ad hoc notifications are issued on important events involving facts that may potentially impact the share price. These can be accessed at www.vzug.com/ch/en/investor-relations-news. The corporate calendar can be viewed at www.vzug.com/ch/en/corporate-calendar, and general information on the V-ZUG Group can be found at www.vzug.com.

At www.vzug.com/ch/en/investor-relations-news-service, interested persons can subscribe to a mailing list to receive ad hoc notifications and further company information. The contact details for queries regarding investor relations can be found at www.vzug.com/ch/en/investor-relations.

10 No-trading periods

In connection with the half-yearly financial reporting, general no-trading periods apply at the V-ZUG Group from 1 January and from 1 July until the close of trading hours of the SIX Swiss Exchange, Zurich, on the date of publication of the Annual Report and Half-Year Report, respectively.

The prohibition of trading covers the registered shares of V-ZUG Holding AG and equity securities, options, derivatives and other financial instruments concerning V-ZUG Holding AG.

The parties subject to a prohibition of trading include the members of the Board of Directors and Executive Committee and other group-wide management positions with access to the current financial figures. In addition, the prohibition of trading also affects all people directly or indirectly involved in preparing the financial reporting and people who may otherwise potentially have access to the V-ZUG Group's current financial figures. Furthermore, the prohibition of trading also applies to V-ZUG Holding AG and all its group companies.

As a rule, there are no exceptions to the arrangement concerning no-trading periods, and any waiver would have to be approved by the competent bodies on a case-by-case basis.

In addition to the general no-trading periods, other no-trading periods may be established where necessary for specific dates, durations and parties covered, particularly in connection with circumstances potentially relevant to the share price.

Compensation report

Foreword by the Chair of the Compensation Committee	65	Governance	72
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Foreword by the Chair of the Compensation Committee

Dear shareholders,

On the following pages, we will present the most important personnel and compensation aspects of the reporting year, as well as the compensation report.

The new compensation strategy was introduced based on insights from internal analyses and external benchmarks. This creates the basis for more detailed reporting on compensation and, as announced, for transitioning the voting model to prospective approval starting in 2025.

The deeper embedding of a results-oriented culture of collaboration has contributed to the development of the V-ZUG organisation. The consistent alignment of the objectives of the first two management levels with the corporate strategy supports this development and, together with regular feedback discussions, emphasises our principle of result accountability, "pay for results".

In 2024, demand developed positively for the first time since 2022. Although challenges such as persistently high purchasing prices, geopolitical uncertainties and high inflation remained, the demand situation gradually recovered. V-ZUG increased net sales as well as profitability. V-ZUG continued to invest in the Swiss industrial landscape and further advanced the "Circular Factory" goal, one of the targets in the short-term compensation. While it was still a pilot project last year, scaling began during the reporting year. Further information on target achievement and compensation can be found on p. 70 e. seq. of this compensation report. The compensation of the Board of Directors and the Executive Committee remained in principle unchanged. The only exception is the short-term compensation component, which depends on the actual achievement of targets (e.g. business results).

As mentioned at the last Annual General Meeting, changes to the Board of Directors are pending due to the statutory age limit. To prepare for these changes, a Board assessment was conducted with the support of an external partner. This assessment examined the collaboration as well as the current and future composition in terms of roles and competencies. To ensure maximum flexibility for the future set-up, the Board of Directors plans to fill the two positions,

which will become vacant at different times, with highly qualified and convincing members by 2025. These members will be presented and proposed for election at the 2025 Annual General Meeting. During the transitional period of the 2025/26 term, the Board would consist of seven members with the approval of the 2025 General Meeting and return to six members from the 2026/27 term. This is to ensure a smooth transition.

The 2025 Annual General Meeting will also hold a consultative vote on the compensation report. In accordance with the Articles of Association, we will submit the total compensation of the Board of Directors for the next term of office and the compensation of the Executive Committee for the years 2025 and 2026 for approval. This will include the announced long-term, share-based component (long-term incentive). With its introduction, we aim to incorporate a shareholder-oriented, long-term, and capital market-focused instrument into the compensation, as is standard practice in many listed companies, while also bridging the gap with the market. Detailed information will be provided along with the invitation to the Annual General Meeting. The variable compensation of the Executive Committee is intended to reflect the annual company results as well as the the long-term development of V-ZUG.

We look forward to welcoming you to the Annual General Meeting in April 2025.

Kind regards,



Prisca Hafner
Chair of the Human Resources & Compensation Committee

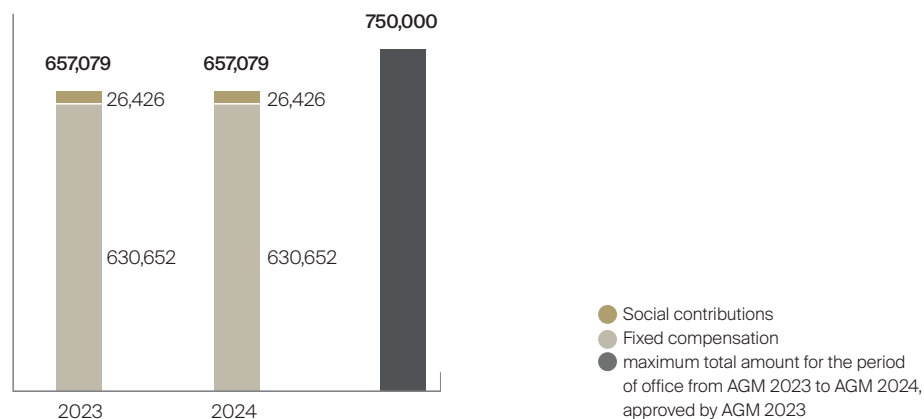
Compensation in the reporting year at a glance

(for details, see p. 70 et seq.)

Compensation of the Board of Directors

To ensure independence in the supervision of Group management, the six members of the Board of Directors receive fixed compensation in cash. Fixed compensation of the Board of Directors in the reporting period totalled CHF 657,079. The total compensation of the Board of Directors was within the total amount approved by the Annual General Meeting.

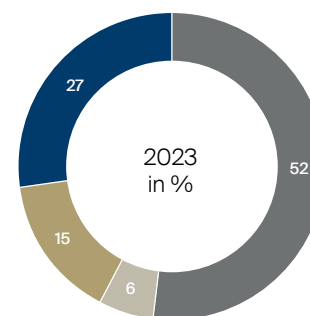
Compensation of the Board of Directors within the approved budget



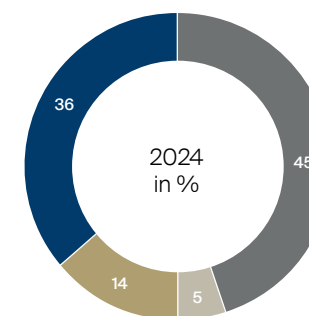
Compensation of the Executive Committee

The compensation paid to the eight members of the Executive Committee in the reporting year consists of a fixed component and short-term variable compensation ("STI"). The fixed compensation of the Executive Committee in the reporting period totalled CHF 3,204,014 and is within the total amount approved by the Annual General Meeting. The total amount of variable compensation will be voted on at the Annual General Meeting on 8 April 2025 (see information on the V-ZUG Group's compensation strategy for 2025 at www.vzug.com/ch/en/annual-general-meeting).

Compensation of the CEO

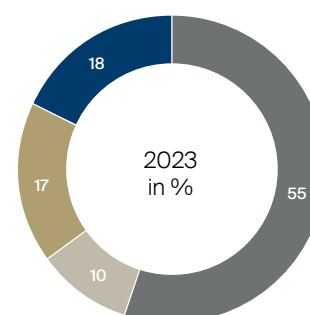


● Fixed compensation – CHF 485,250
 ● Benefits – CHF 55,891
 ● Social contributions – CHF 143,305
 ● Short-term variable compensation (STI) – CHF 248,448

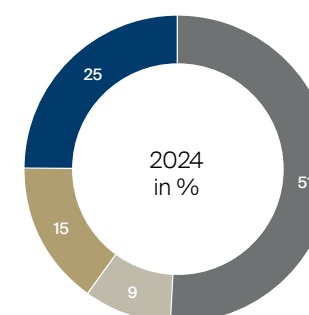


● Fixed compensation – CHF 487,000
 ● Benefits – CHF 56,596
 ● Social contributions – CHF 149,024
 ● Short-term variable compensation (STI) – CHF 389,600

Compensation of the other members of the Executive Committee



● Fixed compensation – CHF 1,809,844
 ● Benefits – CHF 328,563
 ● Social contributions – CHF 544,084
 ● Short-term variable compensation (STI) – CHF 579,085



● Fixed compensation – CHF 1,748,140
 ● Benefits – CHF 315,946
 ● Social contributions – CHF 514,282
 ● Short-term variable compensation (STI) – CHF 874,070

Compensation policy

COMPENSATION PRINCIPLES OF THE V-ZUG GROUP

As a Swiss company with high-quality products and services, continuity and sustainability are important to us. The compensation strategy of the V-ZUG Group reflects an ambitious focus on results that fosters collaboration on common strategic goals and recognises the resulting successes. The compensation strategy supports an inspiring, contemporary environment, takes into account company performance and respects individual performance and conduct based on our values and management principles.

The overarching objectives of the new compensation strategy, which is intended to apply to the whole organisation, essentially reflects the following:

- To link the compensation strategy with the corporate strategy based on medium-term planning and consideration of a long-term perspective
- To strengthen the culture of accountability for results based on ambitious target setting, supported by transparency regarding expectations and regular performance feedback
- To uphold in our compensation practice the mindset of sustainability rooted in our corporate DNA
- To aim for compensation in line with the market as one way among many of ensuring we are an attractive employer
- To provide transparency for all compensation decisions and processes ("pay for results")

Internal and external comparisons are regularly used for compensation decisions, with the aim of alignment with the market median. V-ZUG pursues an approach of "pay for performance/results". The components of compensation are defined by the Board of Directors in accordance with the competency matrix (see Determination of compensation).

BOARD OF DIRECTORS

Compensation components

The members of the Board of Directors receive exclusively fixed compensation. Such compensation serves to ensure independence in the supervision of the Executive Committee of V-ZUG Holding AG. In accordance with Article 23 of the Articles of Association of V-ZUG Holding AG dated 25 April 2023 ("Articles of Association"), compensation may be paid in cash or in shares.

Amount

The amount of compensation reflects the scope of the mandate (including chairmanship and membership in committees) and is based on other listed, internationally active Swiss industrial companies of comparable size and complexity. The compensation of the Board of Directors is reviewed at regular intervals on behalf of the Compensation Committee using market analyses.

EXECUTIVE COMMITTEE

Compensation components

The members of the Executive Committee receive fixed and variable compensation (STI).

Amount

V-ZUG pursues a "pay for results" and market-driven approach. Refer also to the following explanations on collaboration with external partners. The basis for establishing and achieving targets, which is crucial for short-term variable compensation (STI), is defined by the criteria and metrics outlined on [p. 67 et seq.](#)

COLLABORATION WITH EXTERNAL PARTNERS

V-ZUG regularly reviews the level and structure of compensation for the Board of Directors and the Executive Committee. It consults independent, external partners and publicly available information for this purpose. The analysis takes into account the scope of the task and responsibility in each case and is based on comparable listed companies. V-ZUG endeavours to position the target compensation of the Executive Committee at the market median, based on the contribution of the individual as well as the company's success and financial sustainability. A peer comparison, a benchmarking analysis by Korn Ferry and an evaluation of compensation trends published by recognised companies (analysis of public compensation reports) were used to determine the target compensation. The analysis indicated that the benchmarking performed by Korn Ferry using a functional evaluation serves as the most suitable basis for comparison. The findings from the analysis were incorporated into the revision of the compensation strategy, which was also supported by Korn Ferry. While the internal project group, which comprised several members of the Executive Committee and the Human Resources & Compensation Committee, defined the objectives and framework of the new compensation policy, the external specialists ensured that current market aspects were taken into account.

In 2024, a Board assessment was conducted with an external partner whereas in previous years, a self-assessment was performed. In addition to means of collaboration, the assessment also reviewed the present and future composition in terms of roles and competencies, with the goal of gathering external feedback and establishing an ideal basis for appointing the successors to the Board of Directors.

Compensation models

Board of Directors

In accordance with Article 23 of the Articles of Association, the members of the Board of Directors receive fixed compensation for their work as well as a lump-sum reimbursement of expenses. Members of the Board of Directors who serve as Chairperson of the Board of Directors or chair of a committee or who perform special tasks (e.g. activities on the boards of directors of subsidiaries, chairing advisory boards, etc.) receive an additional fee for such additional roles and special tasks. The fee scale is structured in accordance with the Compensation Regulations (including lump-sum expenses):

Role-related compensation

Role	Fixed (gross), in CHF	Lump-sum expenses, in CHF	Total, in CHF
Basic amount (Member BoD)	63,000	12,000	75,000
Additional amount, Chairman BoD	92,000	3,000	95,000
Additional amount, Chair BoD committee/ Chair Digital Advisory Board	20,000	-	20,000
Additional amount, Member BoD committee	10,000	-	10,000

The compensation of the Board of Directors is determined at the request of the Human Resources & Compensation Committee by the entire Board of Directors on an annual basis, usually in the first quarter of the year, for the period from the Annual General Meeting of the current calendar year to the Annual General Meeting of the following year and is presented to the General Meeting for approval in accordance with Article 24 of the Articles of Association.

Executive Committee

As of the 2024 financial year, compensation includes the components listed in the overview: fixed basic salary, short-term variable compensation and benefits (e.g. social insurance).

Overview of the compensation components of the Executive Committee

	Fixed compensation components		Variable compensation components
	Fixed compensation	Benefits	Short-term variable compensation (STI)
Purpose	Securing fixed basic compensation	Covering basic subsistence in old age or in the event of death/disability	Recognition based on achievement of clearly measurable performance criteria with a one-year performance period
Criteria	Scope and complexity of the role, personal profile, market practice	Local legislation and market practice	Financial and strategic annual targets of the Group ExCo: 50 %/CEO: 80 % of the basic salary upon 100 % target achievement (minimum "hurdle" rate: 75 %/maximum target achievement: 150 %)
Measurability (weighting)	Skills and experience, as well as performance and conduct of the individual		Financial targets - Net sales target (1/3) - Profit margin/EBIT margin (1/3) - Operating cash flow (1/3) (weighting: 60 %) with the KPIs ¹⁾ Common Group goals (strategic) Quantifiable, relevant annual goals incl. sustainability goal (weighting: 20 %)
			Individualised goals (strategic) Quantifiable goals (weighting: 20 %)
Focus	Monthly	Contributions to social security, pension fund and insurance (illness/accident allowance)	One-time cash payment in May, following the preceding financial year

¹⁾ KPI = key performance indicator

Fixed compensation

The fixed basic salary is determined based on the scope and complexity of the role, as well as the person’s relevant experience and knowledge. In addition to market data, performance and behaviour are also taken into account in the annual review as a basis for any adjustments.

Benefits

Benefits primarily constitute pension and insurance plans that offer adequate income in retirement as well as suitable protection against risks such as death and disability. All members of group management have a Swiss employment contract and are insured in the pension fund of V-ZUG AG. The pension fund exceeds the statutory minimum requirements of the Federal Law on Occupational Old Age, Survivors’ and Invalidity Pension Provision (OPA) and corresponds with customary market practice. A supplementary pension plan exists for the top two levels of management. Retirement typically takes place once ordinary retirement age is reached.

Members of the Executive Committee are entitled to a lump-sum representation compensation and reimbursement of business costs in accordance with the regulatory provisions applicable to all employees in Switzerland. They also receive a lump-sum mileage allowance. These compensations are defined in the applicable expense policy for V-ZUG AG and have been approved by the competent cantonal tax authorities.

Variable compensation

Short-term (STI)

The STI (“short-term incentive”) is a variable compensation component that fosters and rewards the achievement of the V-ZUG Group’s defined financial and strategic targets over a period of one year as part of the target agreement process.

The STI is expressed as a percentage target of the annual fixed basic salary. The target STI amounts to 50 % of the annual basic salary for members of the Executive Committee and 80 % for the CEO and is limited to 150 % of the target. The maximum target value was increased from the previous maximum of 125 % to 150 % as of the 2024 financial year based on the findings of the compensation survey for all employees affiliated with the STI. The minimum threshold of at least 75 % target achievement has applied to all targets since the 2024 financial year and reflects our high ambitions and expectations.

The targets for achieving the STI are subdivided and defined as follows, with the weighting of the financial targets for members of the Executive Committee having increased from 50 % to 60 % as of 2024:

STI criteria and weighting for the Executive Committee

60 % financial: financial group targets	Financial group targets	
	KPI	
	EBIT margin	20 %
	Net sales	20 %
20 % strategic: common group targets	Cash flow from operating activities	20 %
	20 % strategic: individualised targets	

Financial targets

This includes return on sales (EBIT margin), sales targets (excluding acquisitions and disposals) and operating cash flow. The annual targets for these business targets are determined by medium-term planning. In addition, the actual results of the previous year, as well as the budget and forecast for the subsequent year, are taken into account in target-setting.

Set based on strategically relevant business targets

These are shared business targets as well as corresponding individual targets. They are measurable, supported by data and do not overlap with the financial targets. They are defined in a number of different categories based on the strategic areas of focus. One strategic target is selected specifically from the sustainability targets. The annual targets for the STI are discussed by the Human Resources & Compensation Committee and the Board of Directors and are subject to its approval.

Disclosure of compensation in the reporting year

Compensation for the Board of Directors

Fixed compensation

Fixed compensation of the Board of Directors in the reporting period totalled CHF 657,079. The Board of Directors generally pursues a policy of consistent compensation. The total compensation of the Board of Directors was within the total amount approved by the Annual General Meeting.

On 25 April 2023, the Annual General Meeting of V-ZUG Holding AG approved the sum of no more than CHF 750,000 for the fixed compensation of the Board of Directors for the period of office until the next Annual General Meeting on 23 April 2024. During this period, CHF 657,079 of the approved sum was used for the compensation of members of the Board of Directors.

Compensation of the Board of Directors in the reporting year (audited)

Compensation for the financial year, in CHF	Compensation/ fee, fixed (gross) ¹⁾		Social contributions ²⁾		Total	
	2024	2023	2024	2023	2024	2023
Oliver Riemenschneider, Chairman, Board of Directors	170,000	170,000	9,845	9,845	179,845	179,845
Annelies Häcki Buhofer, Member, Audit Committee	85,000	85,000	2,979	2,979	87,979	87,979
Prisca Hafner, Chair, Human Resources & Compensation Committee	95,000	95,000	5,312	5,312	100,312	100,312
Tobias Knechtle ³⁾ , Chair, Audit Committee	100,652	100,652	0	0	100,652	100,652
Petra Rumpf, Chair Advisory Board	95,000	95,000	5,312	5,312	100,312	100,312
Dr Jürg Werner, Member, Human Resources & Compensation Committee	85,000	85,000	2,979	2,979	87,979	87,979
Total Board of Directors	630,652	630,652	26,426	26,426	657,079	657,079

¹⁾ The compensation shown includes lump-sum expenses and other payments (such as memberships, etc.) and any additional fee for activities on the Board of Directors of subsidiaries and further special tasks.

²⁾ Employer contributions for AHV (old-age and survivors' insurance), IV (disability insurance), EO (loss of earnings compensation) and ALV (unemployment insurance), as well as any contributions to occupational accident insurance and occupational pension schemes.

³⁾ Payment is made via a legal entity. In accordance with the Compensation Regulations, the fixed fee (but not the lump-sum expenses) is increased (currently by 6.81 %) to offset the employer contributions to be made by the legal entity.

Compensation for the Executive Committee

Changes to the Executive Committee membership

In the 2024 financial year, the Board of Directors appointed the following new members of the Executive Committee for the two open positions:

Marcel Feurer took up the position of Chief Swiss Market Officer in mid-May 2024. The position of Chief Technology Officer was filled internally by Wolfgang Schroeder, who previously served as CTO a.i., completing the Executive Committee at the beginning of July 2024.

Fixed compensation

For the 2024 financial year, the Annual General Meeting of V-ZUG Holding AG on 25 April 2023 approved a maximum total amount of CHF 3,950,000 for the fixed compensation of the Executive Committee in accordance with the Articles of Association (Art. 24 para 1, second bullet point of the Articles of Association). Of this amount, the total amount of CHF 3,204,014 was utilised in the reporting period. There was no need to make use of any additional amount.

Variable compensation

Out of the total amount of CHF 860,000 approved by the Annual General Meeting on 23 April 2024 for the variable compensation of members of the Executive Committee for the 2023 financial year, CHF 808,414 (including social security contributions) was paid out.

Since the retrospective model is still used for the approval of variable compensation for the Executive Committee by the Annual General Meeting for the 2024 financial year, approval will be granted by the 2025 Annual General Meeting. The Board of Directors proposes to the Annual General Meeting of V-ZUG Holding AG on 8 April 2025 a maximum total amount of CHF 1,400,000 (including social security contributions) for variable compensation for the 2024 financial year. The maximum amount that could be paid out in accordance with the compensation regulations is CHF 1,995,000. The proposed variable compensation reflects the results of the financial targets, with a weighting of 60 %, and the achievement of strategic targets, with a weighting of 40 %.

Performance and compensation in 2024

Compared to the previous year, the total amount for the 2024 financial year is higher due to better target achievement. Overall, the financial targets were slightly and the strategic targets significantly exceeded. In terms of strategic goals, progress was made in International Markets, the sustainability goal "Circular Factory", and quality, particularly in the product portfolio as well as the initiative "Simplify V-ZUG". The effectively proposed variable compensation amount for the Executive Committee members remains at 100% despite a higher target achievement. This motion is made in accordance with regulatory principles, as the threshold based on EBIT was not reached, and therefore no variable remuneration above 100% is provided.

Compensation of the Executive Committee in the reporting year (audited)

Compensation for the financial year, in CHF	CEO ¹⁾		Executive Committee (total) ²⁾	
	2024	2023	2024	2023
Fixed basic salary (gross)	487,000	485,250	2,235,140	2,295,094
Other payments/benefits ³⁾	56,596	55,891	372,542	384,453
Social contributions ⁴⁾	149,024	143,305	663,306	687,389
Total fixed compensation	692,620	684,446	3,270,988	3,366,936
Total variable compensation ^{5, 6)}	389,600	248,448	1,263,670	827,533
Total compensation	1,082,220	932,894	4,534,658	4,194,469

¹⁾ The highest amount for any member of the Executive Committee in the relevant Reporting Period and in the Previous Year's Period was paid to CEO Peter Spirig.

²⁾ The 2023 financial year includes compensation to Attila Castiglioni (up to 31 August 2023) and Stephan Keller (up to 15 August 2023) until their respective departures.

³⁾ Includes lump-sum expenses and other payments, benefits and compensation (such as supplementary insurance, travel compensation and mobility contribution). Child and family allowances are not disclosed.

⁴⁾ Employer contributions to pension schemes, AHV (old-age and survivors' insurance), IV (disability insurance), EO (loss of earnings compensation), ALV (unemployment insurance), daily sickness benefits insurance and accident insurance. The amounts in the table are disclosed on an accrual basis and relate to fixed and variable compensation.

⁵⁾ Due to changes within the Executive Committee in the previous year, a proportion of variable compensation still had to be paid out in 2024 to the members who left in 2023 (Attila Castiglioni and Stephan Keller).

⁶⁾ The variable compensation for the members of the Executive Committee is generally paid out in May of the subsequent year subject to approval by the Annual General Meeting (on 8 April 2025 for the variable compensation for the 2024 financial year). The amounts in the table are disclosed on an accrual basis.

Other compensation to the Board of Directors and Executive Committee (audited)

No loans, credit facilities or other compensation was granted to members of the Board of Directors, the Executive Committee or parties related to the aforementioned, and there are no provisions in the Articles of Association that would authorise the granting of loans or credit facilities. The lump-sum expense allowances, which are based on expense regulations approved by the tax authorities, are shown as fixed compensation in the interests of full and complete transparency, although, as genuine lump-sum expenses, they would not have to be disclosed since they do not constitute compensation.

None of the members of the Board of Directors has an executive function in the V-ZUG Group or received any other compensation from companies of the V-ZUG Group.

Governance

Human Resources & Compensation Committee

The Human Resources & Compensation Committee performs its duties in accordance with the Swiss Code of Obligations and as set out in the Corporate Governance Report on [p. 50 et seq.](#) and endeavours to incorporate developments and best practices in organisational development. It meets as required, usually four times per year in person and twice by video conference, to discuss the topics listed in the figure. In addition, the members of the Human Resources & Compensation Committee periodically hold personal discussions with each member of the Executive Committee.

Overview of the meetings of the Human Resources & Compensation Committee 2024

	March/Q1	June/Q2	September/Q3	December/Q4
Governance and compensation policy	- Review of variable target achievement of EC (previous year) - Preparation of compensation proposals for the AGM - Drafting/approval of the compensation report and non-financial report (social/employee matters)	- Personnel benefit programmes of the Group companies	- Information on the implementation of compensation policy - Indication of compensation for Group companies (subsequent year)	- Determination of variable targets of EC (subsequent year) - Preparation of compensation report
Compensation of BoD/EC	- Variable compensation of EC (previous year) - Compensation of BoD		- Feedback from shareholders/proxy advisors on compensation report	- Indication of compensation for BoD - Fixed compensation of EC based on individual performance assessment (subsequent year)
Personnel policy (incl. culture & leadership)	- Preparation for constitution of BoD - Succession planning of BoD	- Personnel and succession planning - People & culture (organisational development, transformation)	- Personnel and succession planning for the Executive Committee - BoD assessment	- Status of social partnerships and collective employment agreement (CEAs)

Fundamentals of compensation

Based on Article 23 of the Articles of Association, members of the Board of Directors and the Executive Committee of V-ZUG Holding AG are entitled to compensation commensurate with their role and to customary social security benefits, as well as to reimbursement for expenses incurred in the interests of the V-ZUG Group; the details are set out in the separate compensation regulations. The information in this Compensation Report is based on the Compensation Regulations of V-ZUG Holding AG dated 1 January 2024 ("Compensation Regulations").

Process to determine compensation

The compensation of the Board of Directors and the Executive Committee is determined annually in the first quarter in accordance with the authorisation regulations and at the request of the Human Resources & Compensation Committee and submitted to the Annual General Meeting for approval in accordance with Article 24 of the Articles of Association.

Allocation of competencies for compensation issues

	CEO	PVA	BoD	EC
Compensation policy	●	●	●	
Total compensation of BoD		●	●	●
Compensation of members of the Board of Directors (incl. Chair)		●	●	
Total compensation of EC		●	●	●
CEO compensation		●	●	
Compensation of BoD members (excl. CEO)	●	●	●	
Determination of targets for CEO		●	●	
Determination of targets for EC members (excl. CEO)	●	●	●	
Compensation report		●	●	Consultative

● Application (initial)
 ● Application for approval by the corporate body
 ● Approval

For the Board of Directors, the amounts are determined according to the scope of the mandate (see above p. 68, figure “Role-related compensation”), with the level of compensation being reviewed at regular intervals on the basis of external benchmarks.

For the Executive Committee, the compensation (basic salary and STI target amount) is determined in December of each year for the subsequent financial year. In this case, the compensation level and mix are also regularly reviewed. The targets for the relevant financial year are determined in February (in accordance with section 4 Compensation model/variable targets above). Target achievement and the amount paid out are determined on the basis of the previous year’s results, with the determination made in the March following the end of the financial year. The CEO is involved in determining the compensation and targets of the members of the Executive Committee. Payment is made within the budget approved by the Annual General Meeting in May at the latest.

Clawback

V-ZUG Holding AG may demand full or partial repayment of variable compensation already paid for a business period for 30 months after disbursement or deduct a corresponding amount from the variable compensation for a following period if it becomes evident following disbursement of the variable compensation that the member of the Executive Committee has seriously violated applicable statutory regulations, contractual provisions or internal policies in the period under review or if the member has influenced target achievement in the period under review through actions contrary to the interests of the V-ZUG Group in sustainable business development.

Capital participation programmes (audited)

V-ZUG Holding AG does not have any participation or option programmes, and no shares have been assigned to members of the Board of Directors or of the Executive Committee or to related parties during the reporting year.

Article 23 of the Articles of Association permits long-term compensation to be paid out in the form of money or shares. The Board of Directors has not availed itself of the opportunity to allocate shares for the compensation of the members of the Board of Directors or for the compensation of the Executive Committee up to and including the reporting year (see p. 77, shareholder vote at the 2025 Annual General Meeting and information on V-ZUG Group’s 2024 compensation strategy, at www.vzug.com/ch/en/annual-general-meeting). For further information, please refer to the Articles of Association, available at www.vzug.com/ch/en/corporate-governance).

Shareholdings of current members of governing corporate bodies (audited)

The following table shows the participation rights in V-ZUG Holding AG and the options to such rights of each current member of the Board of Directors, the Executive Committee and the Advisory Board as at 31 December 2024.

Share ownership by current members of the governing bodies

Number	2024	2023
Oliver Riemenschneider, Chairman of the Board of Directors	2,200	2,200
Annelies Häcki Buhofer, Member of the Board of Directors ¹⁾	374,878	374,878
Prisca Hafner, Member of the Board of Directors	250	250
Tobias Knechtle, Member of the Board of Directors	550	550
Petra Rumpf, Member of the Board of Directors	1,000	1,000
Jürg Werner, Member of the Board of Directors	200	200
Peter Spirig, Chief Executive Officer (CEO) ²⁾	1,000	600
Alberto Bertoz, Chief International Officer (CIO)	1,100	0
Sandra Forster Bernacchia, Chief Human Resources Officer (CHRO)	300	0
Adrian Ineichen, Chief Financial Officer (CFO)	600	300
Wolfgang Schroeder, Chief Technology Officer (CTO) ³⁾	200	n/a
Adrian Theiler, Chief Operations Officer (COO)	350	0

¹⁾ Mainly held indirectly through Holmia Holding AG, Zug, and partly held by related parties.

²⁾ Partly held by related parties.

³⁾ Member of the Executive Committee since 1 July 2024.

Activities at other companies (audited)

Activities exercised by members of the Board of Directors and Executive Committee of V-ZUG Holding AG in comparable roles at other commercial companies are listed below.

Overview of activities at other companies

Member	Activity
Board of Directors	
Oliver Riemenschneider	Accelleron Industries AG, Switzerland, Chairman of the Board of Directors.
Annelies Häcki Buhofer	Zug Estates Holding AG, Switzerland, Member of the Board of Directors; Cham Group AG, Switzerland, Member of the Board of Directors; BURU Holding AG, Switzerland, Chair of the Board of Directors (until August 2024); Holmia Holding AG, Switzerland, Member of the Board of Directors; complagi AG, Switzerland, Member of the Board of Directors.
Prisca Hafner	PiD AG, Switzerland, Member of the Board of Directors (until July 2024).
Tobias Knechtle	Geberit AG, Switzerland, CFO and Member of the Group Executive Board; Adastra Investment & Consulting AG, Switzerland, Chairman of the Board of Directors; Eupheus International Educational Project, Portugal, advisor (until December 2023).
Petra Rumpf	Straumann Holding AG, Switzerland, Chair of the Board of Directors (Vice Chair of the Board until April 2024); SHL Medical AG, Switzerland, Member of the Board and Chair of the Audit Committee; Vimian Group AB, Sweden, Member of the Board of Directors; Limacorporate S.p.a, Italy, Member of the Board of Directors (until January 2024).
Jürg Werner	Department of Mechanical and Process Engineering ETH Zurich, Switzerland, Member of the Industrial Advisory Board; Swiss Academy of Arts and Sciences (SATW), elected full member; Komax Holding AG, Switzerland, Member of the Board of Directors and Member of the Audit Committee and the Sustainability and Innovation Committee; Haag-Streit Holding AG, Switzerland, Member of the Board of Directors (until April 2024); Möller-Wedel Optical GmbH, Germany, consulting (until April 2024).

Member	Activity
Executive Committee	
Peter Spirig	Swissmem, Switzerland, Member of the Council; Zug Chamber of Commerce, Switzerland, Member of the Board of Directors; Swiss Association for Domestic and Commercial Electrical Appliances (FEA), Switzerland, Member of the Board; SENS Foundation, Switzerland, Member of the Board of Trustees.
Alberto Bertoz	Fhiaba s.r.l., Italy, Member of the Board of Directors; Kita Asset Holding AG, Switzerland, Chairman of the Board of Directors (until September 2023); Oslo Holding AG, Switzerland, Chairman of the Board of Directors.
Marcel Feurer	No significant activities.
Sandra Forster	V-ZUG AG Pension Fund, Switzerland, Member of the Board of Trustees.
Adrian Ineichen	V-ZUG AG Pension Fund, Switzerland, Chairman of the Board of Trustees; V-ZUG AG Welfare Fund, Switzerland, Member of the Board of Trustees.
Natalie Noël	No significant activities.
Wolfgang Schroeder	No significant activities.
Adrian Theiler	Goldau Foundation for Music and Culture, Switzerland, Chairman of the Board of Trustees.

Report of the statutory auditor on the audit of the compensation report



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To the General Meeting of
V-ZUG Holding AG, Zug

Zug, 4 March 2025

Report of the statutory auditor on the audit of the compensation report



Opinion

We have audited the compensation report of V-ZUG Holding AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 70 to 74 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the compensation report complies with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the compensation report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual compensation packages.



Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.



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We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Christoph Michel
Licensed audit expert
(Auditor in charge)

Stefan Pieren
Licensed audit expert

Annual General Meeting 2025 – Vote on compensation

In accordance with Article 24 of the Articles of Association, the Board of Directors submits proposals on compensation to the shareholders for approval. As announced at the 2024 Annual General Meeting, the voting model will be changed to prospective approval for all compensation. The following components will be put to the vote in the transition year 2025:

Voting topics

Role	Compensation	Period
Compensation report (consultative)	–	2024 financial year
Executive Committee	Short-term variable compensation	2024 financial year
	Variable compensation (short and long-term ¹⁾)	2025 financial year
	Fixed compensation	2026 financial year
	Variable compensation (short and long-term ¹⁾)	2026 financial year
Board of Directors	Total compensation	Term of office 2025/2026

¹⁾ The Board of Directors plans to introduce the previously announced long-term, share-based compensation component for the 2025 financial year. It will provide detailed information on the changes at the 2025 Annual General Meeting and in advance (see information on the V-ZUG Group's 2024 compensation strategy at www.vzug.com/ch/en/annual-general-meeting) and involve the shareholders in the decisions in accordance with the Articles of Association.

Financial Report

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Consolidated income statement

in KCHF	Notes	2024	2023
Net sales	1.2	591,715	585,424
Costs of goods and services sold		-380,679	-385,448
Gross profit		211,036	199,976
Marketing and sales costs	1.3	-104,881	-97,458
Research and development costs	1.3	-44,200	-49,957
Administration costs		-44,226	-42,344
Other operating income	1.2	7,752	6,904
Other operating costs		-184	-344
Operating result (EBIT)		25,297	16,777
Financial income	3.3	745	183
Financial expenses	3.3	-395	-3,360
Share of results from associated companies	2.4	325	-22
Financial result		675	-3,199
Net result before taxes		25,972	13,578
Income taxes	1.5	-4,567	-1,892
Group net result		21,405	11,686
Earnings per share (in CHF)	1.6	3.33	1.82

Consolidated balance sheet

in KCHF	Notes	2024	2023
Cash and cash equivalents	3.1	83,386	80,860
Securities	3.1	95	95
Trade receivables	2.1	49,145	49,481
Other receivables	2.1	4,089	5,249
Inventories	2.1	90,684	98,540
Prepaid expenses and accrued income		3,114	3,614
Current assets		230,513	237,839
Tangible assets	2.2	371,706	348,282
Intangible assets	2.3	9,345	9,123
Financial assets	2.4	24,906	24,270
Fixed assets		405,957	381,675
Assets		636,470	619,514

in KCHF	Notes	2024	2023
Trade payables	2.1	33,332	33,662
Other current liabilities	2.1	32,999	40,383
Accrued expenses and deferred income	2.1	38,933	36,072
Current provisions	2.5	21,002	20,086
Current liabilities		126,266	130,203
Other long-term liabilities		117	129
Long-term provisions	2.5	8,768	11,141
Deferred tax liabilities	1.5	14,989	14,109
Non-current liabilities		23,874	25,379
Total liabilities		150,140	155,582
Share capital	3.2	1,736	1,736
Capital reserves		132,792	132,792
Retained earnings		351,802	329,404
Shareholders' equity		486,330	463,932
Liabilities and shareholders' equity		636,470	619,514

Consolidated statement of changes in shareholders' equity

in KCHF	Share capital	Capital reserves	Retained earnings	Goodwill offset	Accumulated currency translation differences	Total retained earnings	Total
Shareholders' equity 31.12.2024	1,736	132,792	352,078	- 2,395	2,119	351,802	486,330
Group net result 2024			21,405			21,405	21,405
Currency translation effects					993	993	993
Shareholders' equity 31.12.2023	1,736	132,792	330,673	- 2,395	1,126	329,404	463,932
Group net result 2023			11,686			11,686	11,686
Currency translation effects					-1,569	-1,569	-1,569
Shareholders' equity 31.12.2022	1,736	132,792	318,987	- 2,395	2,695	319,287	453,815

Consolidated statement of cash flows

in KCHF	Notes	2024	2023
Group net result		21,405	11,686
Financial result (net)		-350	3,177
Depreciation and amortisation		30,263	31,837
Earnings from sale of tangible assets		-476	-386
Share of results from associated companies	2.4	-325	22
Net changes in provisions		-1,581	194
Income taxes		4,567	1,892
Other non-cash items ¹⁾		-2,690	7,567
Change in trade receivables		774	16,692
Change in other receivables and prepaid expenses and accrued income		1,897	-685
Change in inventories		11,528	9,237
Change in trade payables		-735	5,080
Change in other current liabilities and accrued expenses and deferred income		-3,552	-4,559
Interest paid		-4	-24
Taxes paid		-2,753	-1,278
Cash flow from operating activities		57,968	80,452

in KCHF	Notes	2024	2023
Investments in tangible assets	2.2	-53,767	-58,287
Investments in intangible assets	2.3	-2,873	-4,719
Investments in financial assets and securities	2.4	-85	-136
Disposals of tangible assets	2.2	517	724
Disposals of financial assets and securities		3	87
Interest received		38	67
Cash flow from investing activities		-56,167	-62,264
Cash flow from operating and investing activities (free cash flow)		1,801	18,188
Decrease in other long-term liabilities			-141
Cash flow from financing activities		-	-141
Currency translation effects		725	-1,595
Change in "Net cash and cash equivalents"²⁾		2,526	16,452
Net cash and cash equivalents at beginning of year		80,860	64,408
Net cash and cash equivalents at end of year		83,386	80,860

¹⁾ Other non-cash items essentially comprise changes in value adjustments on inventories and trade receivables of CHF -2.5 million (previous year: CHF 4.3 million), waiver of contributions in the amount of CHF 1.8 million (previous year: CHF 4.9 million) to V-ZUG AG's pension fund through use of employers' contribution reserves, as well as non-cash allocation to the employers' contribution reserves from profit participation in the V-ZUG AG pension fund of CHF -1.8 million and from interest generated by the V-ZUG AG welfare fund of CHF -0.2 million (previous year: CHF -0.2 million). In the previous year, the release of deferred compensation for additional expenses was reported for the site transformation in Zug in the amount of CHF -0.9 million.

²⁾ The "Net cash and cash equivalents" fund comprises the balance sheet item cash and cash equivalents less current financial liabilities.

Notes to the consolidated financial statements

Information on the Report

General information

The V-ZUG Group's consolidated financial statements are prepared in accordance with the entire existing body of Accounting and Reporting Recommendations (Swiss GAAP FER) on the basis of historical costs (cost of acquisition or production) or current values. The financial year of the consolidated financial statements corresponds to the calendar year.

The Financial Report is published in German and English. In the event of discrepancies between the two versions, the German version shall prevail.

Since 1 January 2024, the new recommendation of Swiss GAAP FER 28 "Government grants" and the revised recommendation of Swiss GAAP FER 30 "Consolidated financial statements" have been applied.

The provisions in Swiss GAAP FER 28 regulate the accounting and reporting of government grants. The amendments in Swiss GAAP FER 30 essentially specify the accounting and handling of gradual share acquisitions, goodwill and currency translation differences in connection with equity-like intra-group loans. In accordance with the amended recommendation, intangible assets relevant to decisions on the acquisition of control, which were not previously recognised for an acquired subsidiary, must be identified and reported in the balance sheet. Moreover, the new provisions on goodwill were not implemented retrospectively in the first-time application of Swiss GAAP FER 30.

The application of the new recommendation of Swiss GAAP FER 28 and the revised recommendation of Swiss GAAP FER 30 have no significant effect on the consolidated financial statements.

Consolidation principles

The consolidated financial statements cover V-ZUG Holding AG and all Group companies in which V-ZUG Holding AG directly or indirectly holds more than 50 % of the voting rights or for which it bears operational and financial management responsibility. The full consolidation method is applied, i.e. assets, liabilities, income and expenses are recognised in full. Affiliated companies in which the V-ZUG Group has a direct or indirect ownership interest of between 20 % and 50 % are recognised according to the equity method. Participating interests of less than 20 % are not consolidated. On the date of the initial consolidation, the assets and liabilities of acquired companies or business parts are valued at fair value in accordance with uniform Group policies. The difference between the acquisition price and the revalued net assets of the acquired companies or business parts is recognised as goodwill. This goodwill is offset against retained earnings with no effect on the income statement. The impact of a theoretical capitalisation is presented in the notes to the consolidated financial statements. The aim of the capital consolidation is to show the equity of the entire Group. The capital consolidation is carried out using the purchase method.

Intergroup transactions

Intergroup receivables, payables and transactions are eliminated for fully consolidated companies. Allowances and value adjustments for intergroup receivables and investments are reversed. The individual Group companies' intergroup profits on inventories and tangible assets are also eliminated.

Currency translation

With regard to currency translation for consolidation purposes, the annual financial statements of the foreign Group companies are translated into Swiss francs according to the current rate method. The exchange rate at the end of the year is applied consistently to assets and liabilities, while the average exchange rate during the period under review is used for income statements and statements of cash flows. Shareholders' equity is converted at historical exchange rates. The currency effects resulting from the conversion are offset against retained earnings with no effect on the income statement. Foreign currency gains and losses on long-term, equity-like loans to Group companies are also recognised in equity with no effect on the income statement. In the event of any repayment of such loans, the cumulative foreign currency conversion differences will be left in equity.

Significant estimates

In preparing the consolidated financial statements, certain assumptions must be made that affect the accounting principles to be used and the amounts reported as assets, liabilities, income and expenses and the presentation of these amounts. The assumptions are explained in the following items:

- Income taxes
- Inventories
- Provisions

Key indicators not defined by Swiss GAAP FER

V-ZUG uses certain key performance indicators that are not defined according to Swiss GAAP FER (alternative performance measures [APMs]). Where relevant for the reader, specific sub-totals, which can be elicited directly from the relevant tables, are included.

Additional key figures that are not directly disclosed and reconciled in the consolidated main tables in accordance with a recognised financial reporting standard include the following:

- “EBITDA” is the operating result (EBIT) before depreciation, amortisation and impairment on tangible and intangible assets. The derivation per segment can be found in note 1.1 Segment information.
- “Capex” refers to additions to tangible and intangible assets.
- “Equity ratio” shows equity as a percentage of a company’s total assets (equity and debt capital).
- “ROCE” is a measure of how efficiently and profitably a company employs its average total net capital. The calculation method can be found in note 2 Invested capital.

Events after the balance sheet date

There were no events between 31 December 2024 and 4 March 2025 that would require an adjustment to the carrying amounts of assets or liabilities in the consolidated financial statements of the V-ZUG Group or would need to be disclosed under this heading.

On 4 March 2025, the consolidated financial statements were approved for publication by the Board of Directors. They are also subject to approval by the Annual General Meeting.

1 Performance

1.1 Segment information

The business activities of the V-ZUG Group comprise the following segments:

Household Appliances:	Household kitchen and laundry appliances plus services
Real Estate:	Management and development of real estate
Corporate:	V-ZUG Holding AG

in KCHF	2024	2023
Household Appliances		
Net sales	591,715	585,424
Gross profit	206,727	196,505
EBITDA	45,722	39,595
EBITDA in % of net sales	7.7	6.8
Depreciation, amortisation and impairment	-25,197	-27,314
Operating result (EBIT)	20,525	12,281
EBIT in % of net sales	3.5	2.1
Real Estate		
EBITDA	11,221	10,394
Depreciation, amortisation and impairment	-5,066	-4,523
Operating result (EBIT)	6,155	5,871
Corporate and elimination		
Gross profit	4,309	3,471
EBITDA / Operating result (EBIT)	-1,383	-1,375
Total		
Net sales	591,715	585,424
Gross profit	211,036	199,976
EBITDA	55,560	48,614
EBITDA in % of net sales	9.4	8.3
Depreciation, amortisation and impairment	-30,263	-31,837
Operating result (EBIT)	25,297	16,777
EBIT in % of net sales	4.3	2.9

ACCOUNTING PRINCIPLES

The segment accounts used at top management level to steer the business are disclosed for the segment reporting. Segment revenue is deemed to be net sales, and segment result is deemed to be EBIT.

The main sources of revenue in the Household Appliances segment are the sale of appliances and spare parts as well as the provision of services. Sales take place through specialist dealers, distributors, digital channels and, occasionally, directly to end customers.

ACCOUNTING PRINCIPLES

Net sales include the inflow of economic benefits from sales of goods and services within the scope of ordinary business during the period under review. Sales reductions such as discounts, rebates and other concessions, as well as payments to third parties, such as commissions and any value added tax, have been deducted from net sales reported.

Revenues are reported when the significant risks and rewards related to the ownership of products sold are transferred to the customer in accordance with the contractual agreement. Revenue from services is recognised in the accounting period in which the service was provided.

1.2 Net sales and other operating income

Net sales by geographic market

in KCHF	2024	2023
Switzerland	496,812	481,367
Europe (excluding Switzerland)	26,782	25,234
North America	9,516	30,604
Asia/Pacific/Others	58,605	48,219
Total	591,715	585,424

Other operating income

Other operating income includes proceeds from invoicing OEM customers for product development services, the sale of tangible assets, compensation for additional expenses caused by the site transformation in Zug, insurance benefits, the staff restaurant and rents.

1.3 Operating costs

Marketing and sales costs

Marketing and sales costs rose to CHF 104.9 million (previous year: CHF 97.5 million). The reason for the increase is, among other things, organisational relocations from research and development. In addition, marketing spending was increased in order to benefit from the market upturn.

Research and development costs

The costs for research and development decreased to CHF 44.2 million (previous year: CHF 50.0 million). The decline was driven by organisational shifts to marketing and distribution, as well as to administration. Additionally, the «Simplify V-ZUG» initiative led to streamlined processes and the elimination of redundancies, resulting in cost savings.

1.4 Personnel expenses

in KCHF	2024	2023
Wages and salaries	-186,846	-179,584
Pension expenses	-14,225	-16,143
Other social and personnel expenses	-23,823	-22,963
Total	-224,894	-218,690

Personnel expenses increased by 2.8 % year on year. The average number of full-time equivalents decreased by 1.9 %, from 2,118 in the previous year to 2,078. The increase despite the lower average number of full-time positions is due, on the one hand, to the cost-cutting measures achieved in the previous year to reduce overtime balances and holiday credit, as well as the salary increases granted in the current year and higher variable compensation. In the reporting year, the pension fund of V-ZUG AG allocated CHF 1.8 million for profit participation to the employer contribution reserves. There was no profit participation in the previous year. In addition, allocations of CHF 0.2 million were made from interest generated by V-ZUG AG's welfare fund (previous year: CHF 0.2 million). The allocations reduced the Group's pension benefit expense by the corresponding amount. Average personnel expenses per employee increased from CHF 103.2 thousand to CHF 108.2 thousand. Net income per employee increased from CHF 276.4 thousand to CHF 284.8 thousand.

At the balance sheet date, the number of full-time equivalents was 2,086 (previous year: 2,066). The increase was mainly due to the use of temporary employees to bridge additional work during the relocation of production to the new vertical factory in Zug.

1.5 Income taxes

in KCHF	2024	2023
Current income taxes	-3,691	-2,597
Deferred income taxes	-876	705
Total	-4,567	-1,892

Current income taxes include paid and due taxes on the taxable profits of the individual companies.

in KCHF	2024	2023
Liabilities from current income taxes	3,064	2,296
Deferred tax liabilities	14,989	14,109
Total	18,053	16,405

Liabilities from current income taxes are posted under balance sheet item Other current liabilities and are disclosed in note 2.1 Net operating working capital.

in KCHF	2024	2023
Ordinary group net result before taxes	25,972	13,578
Weighted average applicable income tax rate in %	14.0	15.1
Weighted average calculated income taxes	3,638	2,051
Utilisation of previously unrecognised tax loss carryforwards	-57	-437
Additional unrecognised tax loss carryforwards	14	120
Effect from unrecognised deferred taxes on temporary differences	701	476
Tax effects on investments	42	-152
Additional deduction for research and development expenses	-360	-377
Corrections from previous years	356	-17
Other effects	233	228
Effective income taxes	4,567	1,892
Effective income tax rate in %	17.6	13.9

The expected income tax rate on the ordinary group net result came to 14.0 % (previous year: 15.1%) and corresponds to the weighted average tax rate resulting from the profit/loss before taxes and the tax rate for each individual Group company. V-ZUG operates worldwide and is liable to income tax in various countries. The weighted average income tax rate applicable may vary from year to year due to the different results among the individual companies or changes in local tax rates.

The Group's effective income tax rate was 17.6 % (previous year: 13.9%). The difference between the weighted average income tax rate applicable and the effective income tax rate for the reporting year was +3.6 percentage points. The change in unreported tax balances to temporary differences as well as an additional tax claim have essentially contributed to a higher effective income tax rate.

Non-capitalised loss carryforwards amounted to CHF 10.1 million (previous year: CHF 10.1 million) with a potential tax effect of CHF 2.4 million (previous year: CHF 2.4 million), of which CHF 9.3 million (previous year: CHF 9.1 million) may be used for an indefinite period. There are also non-capitalised deferred taxes on valuation differences in the amount of CHF 3.0 million (previous year: CHF 2.3 million).

SIGNIFICANT ESTIMATES

Current tax liabilities are measured based on an interpretation of the tax legislation in place in the relevant countries. The adequacy of such an interpretation is assessed by the tax authorities in the course of the final assessment or tax audit. This can result in changes to tax expense.

ACCOUNTING PRINCIPLES

In accordance with the respective tax assessment rules, current income taxes are calculated at the prevailing tax rates based on the taxable annual results pursuant to commercial law or the taxable annual results that are expected. They are disclosed under Other current liabilities.

Deferred taxes are calculated on the basis of the deviations affecting income tax between the tax balance sheet and the balance sheet prepared for consolidation purposes of the Group companies. The individual Group companies' current or – if applicable – expected tax rates are applied to calculate deferred taxes.

Tax loss carryforwards are neither capitalised nor offset against deferred tax liabilities. Net deferred taxes from temporary differences are not capitalised.

1.6 Earnings per share

in CHF	2024	2023
Group net result	21,405,000	11,686,000
Average number of shares	6,428,571	6,428,571
Earnings per share	3.33	1.82

There was no dilution of earnings per share.

ACCOUNTING PRINCIPLES

The Group net result per share is calculated by dividing the Group net result by the weighted average of outstanding shares less the weighted average of treasury shares.

2 Invested capital

V-ZUG uses the indicator defined below (among others) to manage operating performance. Since the calculation of capital employed is based on average balance sheet values, the values as of the balance sheet date for the three relevant reporting years are shown below to illustrate the general development of the items.

Return on capital employed (ROCE)

in KCHF	2024	2023	2022
Trade receivables	49,145	49,481	67,617
Inventories	90,684	98,540	115,673
Trade payables	-33,332	-33,662	-29,045
Prepayments from customers	-7,425	-10,918	-8,935
Net operating working capital as at 31.12.	99,072	103,441	145,310
Other current assets	7,298	8,958	7,477
Other current liabilities (excl. provisions)	-64,507	-65,537	-67,712
Extended net operating working capital as at 31.12.	41,863	46,862	85,075
Tangible assets	371,706	348,282	313,409
Intangible assets	9,345	9,123	8,272
Financial assets	24,906	24,270	29,984
Operating cash and cash equivalents ¹⁾	30,000	30,000	30,000
Provisions	-29,770	-31,227	-31,410
Total net capital employed as at balance sheet date 31.12.	448,050	427,310	435,330
Monthly average²⁾	462,429	444,140	424,720
Operating result (EBIT)	25,297	16,777	10,289
ROCE in %	5.5	3.8	2.4

¹⁾ Operating cash and cash equivalents contain a minimum amount to ensure operations.

²⁾ Total net capital is determined based on the average of the preceding 13 month-end figures.

The return on capital employed is calculated on the basis of the operating result (EBIT) of the last twelve months in relation to the average total net capital employed in the comparable period. Total net capital employed is defined as extended net operating working capital plus fixed assets plus operationally necessary cash and cash equivalents less provisions.

2.1 Net operating working capital

Trade receivables

in KCHF	2024	2023
Trade receivables (nominal)	51,226	51,635
Specific value adjustments	-1,546	-1,583
General value adjustments	-535	-571
Total	49,145	49,481

Other receivables

Other receivables comprise the net receivables from reclaimable and payable value added tax, as well as receivables from social security institutions. In the previous year, there were receivables from a company of the Metall Zug Group in accordance with an agreement on compensation payments in connection with the site transformation in Zug.

Inventories

in KCHF	2024	2023
Raw materials and purchased components	41,165	47,567
Trading goods	18,451	23,669
Semi-finished and finished products	52,067	50,657
Advance payments to suppliers	331	291
Value adjustments	-21,330	-23,644
Total	90,684	98,540

Inventories were further reduced in raw materials and purchased components as well as for merchandise at all production sites by means of targeted measures in production planning and purchasing management. Pre-production for the move of the assembly line for enamelled products to the vertical factory in Zug, planned for the first half of 2025, temporarily led to an increase in semi-finished and finished products. In turn, the recovery in demand among foreign sales companies resulted in a reduction in the finished products.

The percentage adjustments decreased from 19.4 % in the previous year to 19.0 %. The scope of adjustment was reduced, in part, by performing a more nuanced calculation. V-ZUG offers its customers a spare parts guarantee of up to 15 years, meaning that spare parts need to be supplied for up to 15 years after a model is discontinued. Since spare parts can no longer be produced or even purchased in some cases, a relatively large number of spare parts have to be kept in inventory for an extremely long time in order to be able to meet this guarantee. Supplies with a long useful life are partially or fully written down.

Prepayments from customers are not offset against inventories but, instead, are reported as "Other current liabilities". They amounted to CHF 7.4 million (previous year: CHF 10.9 million).

Other current liabilities

The Other current liabilities item includes net liabilities from reclaimable and payable value added tax, income taxes due, social insurance contributions, prepayments from customers and liabilities to customers from sales bonus agreements.

Accrued expenses and deferred income

The Accrued expenses and deferred income item contains accruals and deferrals for holidays, overtime and variable compensation (i.e. profit-sharing) as well as for services rendered and advertising cost sharing.

SIGNIFICANT ESTIMATES

In assessing the value of inventories, estimates are based on expected consumption, price trend (lowest value principle) and on the loss-free valuation. The estimates used to determine value adjustments of inventories are reviewed on an annual basis and changed as needed. Changes in sales figures or other circumstances may therefore lead to an adjustment of the book values.

ACCOUNTING PRINCIPLES

In addition to specific value adjustments for trade receivables, general value adjustments of up to 2 % for domestic receivables and up to 5 % for foreign receivables are recognised on the basis of past experience.

In the case of inventories, purchased goods are recognised at acquisition cost, predominantly according to the average cost method or at market value if lower. Self-produced goods are valued at production cost, including indirect production costs, or at market value if lower. In addition to specific value adjustments, general value adjustments are recognised for general valuation risks on the basis of past experience.

Liabilities are measured at their nominal value. Trade payables do not bear interest.

2.2 Tangible assets

in KCHF	Developed land and buildings	Plant and equipment	Prepayments and assets under construction	Other tangible assets	Total
Acquisition value 31.12.2024	277,774	285,266	42,573	45,930	651,543
Additions	2,020	12,153	32,460	4,299	50,932
Disposals	-476	-13,980		-6,320	-20,776
Reclassifications	62,182	17,829	-81,947	1,936	-
Currency translation effects	21	70	34	243	368
Acquisition value 31.12.2023	214,027	269,194	92,026	45,772	621,019
Additions	4,946	6,897	49,077	3,006	63,926
Disposals	-364	-7,752		-3,281	-11,397
Reclassifications		4,224	-4,383	159	-
Currency translation effects	-148	-171	-121	-738	-1,178
Acquisition value 31.12.2022	209,593	265,996	47,453	46,626	569,668
Accumulated depreciation 31.12.2024	-70,509	-175,739	-	-33,589	-279,837
Depreciation	-5,651	-17,474		-4,465	-27,590
Disposals	476	13,973		6,286	20,735
Currency translation effects	-7	-53		-185	-245
Accumulated depreciation 31.12.2023	-65,327	-172,185	-	-35,225	-272,737
Depreciation	-4,946	-19,032		-4,231	-28,209
Disposals	178	7,752		3,129	11,059
Currency translation effects	54	122		496	672
Accumulated depreciation 31.12.2022	-60,613	-161,027	-	-34,619	-256,259
Net value of tangible assets as at 31.12.2024	207,265	109,527	42,573	12,341	371,706
Net value of tangible assets as at 31.12.2023	148,700	97,009	92,026	10,547	348,282

Changes in Developed land and buildings are mainly due to the completion of the basic construction for the new “Zephyr Ost” production building in the first quarter of 2024. This marks the completion of all buildings required for production. For the “Zephyr West” real estate project, which will accommodate modern office workplaces, test rooms as well as training and meeting rooms, additions to the prepayments and assets under construction are included. Other prepayments were made for investments in production equipment and in storage and conveying technology in connection with the vertical factory, for the replacement of assembly equipment and for a second press. The partial relocation of production to “Zephyr Ost” and the associated commissioning of new systems and machines as well as the use of tools for new products led to further additions and reclassifications to Plant and equipment.

ACCOUNTING PRINCIPLES

Tangible assets are recorded at historical costs or at production costs less straight-line depreciation according to the following table. If required from an economic point of view, impairments are recognised to reflect the decrease in value.

Depreciation table

	Years
Industrial, commercial and office buildings	33–50
Plant and equipment	5–18
Special tools	3–8
Vehicles	5–10
Other movable assets	2–8

2.3 Intangible assets

in KCHF	2024	2023
Acquisition value 31.12.	44,701	42,562
Additions	2,893	4,488
Disposals	-781	-435
Currency translation effects	27	-81
Acquisition value 01.01.	42,562	38,590
Accumulated amortisation 31.12.	-35,356	-33,439
Amortisation	-2,673	-3,628
Disposals	781	435
Currency translation effects	-25	72
Accumulated amortisation 01.01.	-33,439	-30,318
Net value intangible assets as at 31.12.	9,345	9,123
Net value intangible assets as at 01.01.	9,123	8,272

Intangible assets include software and purchased IT services which will bring the organisation measurable benefits over several years. Acquisition costs for the relaunch of the website and for a content hub to standardise digital communications, as well as further investments in digitalising business process, are reported under Additions.

Goodwill

A theoretical capitalisation of goodwill would affect the annual financial statements as follows:

Theoretical fixed assets – goodwill

in KCHF	2024	2023
Acquisition value 31.12.	2,395	2,395
Acquisition value 01.01.	2,395	2,395
Accumulated amortisation 31.12.	-970	-496
Amortisation	-471	-481
Currency translation effects	-3	25
Accumulated amortisation 01.01.	-496	-40
Net value goodwill offset as at 31.12.	1,425	1,899
Net value goodwill offset as at 01.01.	1,899	2,355

Goodwill relates to the interests that were acquired in the company Fhiaba s.r.l. in Azzano Decimo (Italy). This goodwill would be amortised over a period of five years. The participation of the affiliated company is listed in note 2.4 Financial assets and in note 4.1 Group companies.

Effect on theoretical income statement

in KCHF	2024	2023
Operating result (EBIT)	25,297	16,777
EBIT in % of net sales	4.3	2.9
Amortisation goodwill	-471	-481
Theoretical operating result (EBIT) incl. amortisation goodwill	24,826	16,296
Theoretical EBIT in % of net sales	4.2	2.8
Group net result	21,405	11,686
Amortisation goodwill	-471	-481
Theoretical Group net result incl. amortisation goodwill	20,934	11,205

Effect on theoretical balance sheet

in KCHF	2024	2023
Shareholders' equity as per balance sheet	486,330	463,932
Theoretical capitalisation net carrying amount goodwill	1,425	1,899
Theoretical shareholders' equity incl. net carrying amount goodwill	487,755	465,831
Shareholders' equity in % of total assets	76.4	74.9
Theoretical shareholders' equity incl. net carrying amount goodwill in % of total assets	76.5	75.0

ACCOUNTING PRINCIPLES

Acquired intangible assets are recognised if they will bring a measurable benefit to the company over several years. They are measured at historical cost less straight-line amortisation. The useful life and amortisation period of software is between two and five years. Self-developed intangible assets are not capitalised. Expenses for research and development are charged to the income statement.

Goodwill from acquisition is offset against Group equity at the time of acquisition. For the shadow accounting according to Swiss GAAP FER, goodwill is amortised using the straight-line method over its useful life (usually five years). The transferred assets and liabilities are valued at current values.

2.4 Financial assets

in KCHF	2024	2023
Employer's contribution reserves	19,713	19,520
Affiliated companies	1,248	924
Shares in companies	2,466	2,466
Long-term loans and receivables	1,479	1,360
Total	24,906	24,270

Details of the changes in assets from employers' contribution reserves can be found in note 5.1 Pension schemes. The shares acquired in Fhiaba s.r.l. in Azzano Decimo (Italy) are held as an affiliated company. A participation in a start-up in the smart kitchen sector is reported under Shares in companies. Long-term loans and receivables include loans to third parties and deposits to secure rents. The financial assets are impaired by CHF 0.1 million (previous year: CHF 0.1 million).

ACCOUNTING PRINCIPLES

Shares in companies as well as long-term loans and receivables are reported at acquisition cost less necessary value adjustments. Investments in affiliated companies are recognised according to the equity method (equity share). In this regard, the prorated result of the affiliated company is recognised as income or expense and reported in the income statement for the period. Changes to shareholders' equity that have no impact on the income statement are recognised directly in shareholders' equity. If the financial data of affiliated companies are not available at the time the consolidated financial statements are prepared, the share of the net profit from the investments is determined on the basis of the latest information available at the time and management estimates. In this case, a change to the audited result of the affiliated companies will be recognised in the following period. Employers' contribution reserves without waiver of use are also recognised in the financial assets.

2.5 Provisions

in KCHF	Guaran- tees	Other	Total
Provisions 31.12.2024	28,938	832	29,770
Additions	16,516	21	16,537
Utilisation	-16,190		-16,190
Release	-1,188	-740	-1,928
Currency translation effects	122	2	124
Provisions 31.12.2023	29,678	1,549	31,227
Additions	19,799	40	19,839
Utilisation	-19,234	-20	-19,254
Release	-37	-354	-391
Currency translation effects	-371	-6	-377
Provisions 31.12.2022	29,521	1,889	31,410
Of which current provisions 2024	20,542	460	21,002
Of which current provisions 2023	20,066	20	20,086

Provisions for warranties cover the expected costs of guarantees and goodwill gestures through free repairs.

The Other item includes provisions for soil remediation. A provision for soil remediation at the main V-ZUG site was recognised in 2019. As part of the preparations for construction work at the main V-ZUG site in Zug, extensive contamination investigations were carried out in consultation with the Canton of Zug Environment Office. The investigations identified various areas that require remediation. The remediation of these areas will be carried out together with the planned construction work. Given the legal remediation obligation and the advanced planning stage for these construction plots, provisions must be recognised for these remediation costs. New cost estimates by external experts led to a release of CHF 0.7 million.

SIGNIFICANT ESTIMATES

The level of provisions is largely determined by an estimate of future costs. The calculation for warranties is based on product sales and past experience regarding costs and revenue. In addition to the flat-rate calculation, individual provisions for claims that have occurred or been reported are taken into account based on an assessment by management.

ACCOUNTING PRINCIPLES

A provision is recognised if the Group has a probable obligation based on past events for which the amount and due date are still uncertain but can be estimated. Provisions are classified according to their maturity, i.e. a distinction is made between current provisions with an expected cash outflow within the next twelve months and long-term provisions with an expected cash outflow after more than one year. Provisions for warranties are calculated based on historical data (average of actual costs incurred in recent years relative to net sales).

3 Financing and risk management

3.1 Cash and cash equivalents and securities

Cash and cash equivalents include cash on hand and bank balances. The securities consist of investments in Swiss francs.

ACCOUNTING PRINCIPLES

Securities held as current assets are recognised at current values. If no current value is available, they are measured at a maximum of acquisition cost less any impairment.

3.2 Shareholders' equity

As at 31 December 2024, the share capital of V-ZUG Holding AG consisted of 6,428,571 (previous year: 6,428,571) registered shares with a nominal value of CHF 0.27 (previous year: CHF 0.27). The total value of the share capital is CHF 1.7 million (previous year: CHF 1.7 million).

CHF 108.4 million of the capital reserves can be paid out tax-free to shareholders.

Non-distributable, statutory or legal reserves amount to CHF 2.6 million (previous year: CHF 2.6 million).

3.3 Financial result

in KCHF	2024	2023
Interest income	192	175
Income from securities	11	5
Foreign exchange gains	542	3
Financial income	745	183
Interest expenses	-26	-49
Losses on securities		-1
Other financial expenses	-274	-267
Foreign exchange losses	-95	-3,043
Financial expenses	-395	-3,360
Share of results from associated companies	325	-22
Financial result	675	-3,199

3.4 Operating leases

The off-balance sheet obligations from operating leases break down by maturity as follows:

Maturing as at 31.12. in KCHF	2024	2023
Up to 1 year	12,634	11,876
1 to 3 years	15,407	15,141
Over 3 years	5,960	6,338
Total	34,001	33,355

3.5 Other off-balance sheet obligations and contingent liabilities

Firm purchase commitments of CHF 19.8 million are in place (previous year: CHF 17.8 million). A large number of the purchase commitments are connected with the progressing development of the main site in Zug.

The carrying amount of the pledged long-term financial assets is CHF 1.5 million (previous year: CHF 1.4 million).

ACCOUNTING PRINCIPLES

Contingent liabilities are measured on the basis of the probability and amount of future unilateral benefits and costs and are disclosed in the notes.

3.6 Financial risk management

Risk assessment and management process

Risk assessment and risk control within the V-ZUG Group are based on a standardised four-stage risk management process, which includes the following steps:

- **Identification:** Periodic, systematic determination of material business risks. The risk identification phase is usually the most challenging, as it involves identifying whether a risk even exists. This is done with the help of appropriate information systems (e.g. key indicators or corresponding organisational structures).
- **Analysis:** Assessment and classification of identified risks in terms of their likelihood of occurrence and potential impact, whereby a distinction is made between macro risks and business continuity risks. The aim of the risk analysis is to quantify the identified risk by first of all determining its likelihood of occurrence and impact (potential extent of damage) and then determining the risk factor ("risk potential") by multiplying the two figures. The identified and assessed risks are shown on a risk card.
- **Control:** Definition of measures to manage the risks assessed as material, as well as the allocation and performance of relevant duties. Risk control includes managing both the risks and the corresponding internal duties.
- **Reporting and monitoring:** Periodic reporting on the risk situation and on the implementation of defined risk mitigation measures.

Country risks

The V-ZUG Group is represented by its subsidiaries in selected metropolitan areas in Europe, Asia and Australia. Its global presence (share of foreign sales: 16.0%; previous year: 17.8%), exposed the Group partially to additional risks such as political, financial and social uncertainties.

Financial risk management

Overall, the V-ZUG Group adopts a conservative and risk-averse approach. The Group's business activities expose it to a variety of financial risks, including those related to changes in currency and interest rate risks. Derivative financial instruments, such as foreign exchange, commodity and interest rate contracts, may be used to hedge these risks.

The principles of financial risk management are determined at Group level and apply to all segments. Besides providing guidance on general financial risk management, the principles also set forth requirements for specific areas, such as the management of interest rate, currency and counterparty risks, the use of derivative financial instruments and the investment policy for excess liquidity.

Liquidity risks

The Group uses a periodic liquidity planning instrument to monitor liquidity risk and has sufficient cash and cash equivalents and unused credit facilities to meet its liabilities. It had no financial liabilities as at the balance sheet date.

In addition, the Group's excellent credit rating would allow it to make efficient use of the financial markets for financing purposes.

Market risks and interest rate risks

The V-ZUG Group is exposed to commodity price risks, as it requires raw materials, such as granulate and steel, to manufacture its products. The V-ZUG Group hedges the commodity price risk largely by entering into purchasing agreements covering the projected purchasing volumes. In addition, procurement prices for components are partly dependent on the market prices of steel, aluminium, copper, plastics and electronics. V-ZUG Group also nurtures long-term partnerships with its suppliers and proactively works on alternative components in order to minimise risks.

The V-ZUG Group has no interest-bearing financial liabilities at present. As a result, the Group's interest rate risk arises less from the structure and volume of its financing and more from its interest-bearing assets.

Unlisted securities are recognised at cost less any impairment.

Currency risks

The V-ZUG Group generates sales revenues and costs in foreign currencies in Switzerland and abroad. Exchange rate movements therefore have an impact on the consolidated results.

These risks are partly mitigated through what is known as natural hedging. Here, currency risks from cash inflows in a certain currency are neutralised by cash outflows in the same currency. However, the cash inflows and outflows are not the same size. As a result, currency fluctuations can affect the V-ZUG Group's earnings margins, which means that the Group is exposed to a transaction risk. In the Household Appliances segment, which generates more costs than sales in foreign currencies, the EUR / CHF exchange rate is of primary relevance. Transaction risks are continuously monitored by the Group.

In addition, there is exposure to currency risks whenever competitors operating on a foreign currency cost basis factor the currency fluctuations in question into the prices of the products they sell in Switzerland. This can give rise to competitive advantages or disadvantages compared with competitors.

Due to bank balances and loans in foreign currencies, changes in exchange rates may also impact the financial result. The following table provides information about the net foreign currency effect in the financial result. Foreign exchange losses were mainly attributable to valuation effects relating to loans within the Group and to cash and cash equivalents.

in KCHF	2024	2023
Foreign exchange gains and losses (net)	447	-3,040
In % of net result before taxes	1.7	-22.4
Change from the previous year	3,487	-2,939
Change in % of net result before taxes	13.4	-21.6

Counterparty risks from treasury activities

Financial transactions are only entered into with counterparties with a high credit rating. Cash and cash equivalents and securities are invested in a variety of counterparties to avoid cluster risks.

Credit risks

Credit risks for the V-ZUG Group mainly arise from the sale of products and services (risk of default). The customer's financial circumstances are monitored on a permanent basis (wherever this makes sense). No additional collateral is normally required. As the Group has a broad customer base, its exposure to individual default risks is low. Specific allowances are recognised for anticipated bad debts. In addition, general allowances of no more than 2% for domestic receivables and no more than 5% for foreign receivables are recognised on the basis of past experience.

in KCHF	2024	2023
Allowance for doubtful receivables	-2,081	-2,154
In % of trade receivables (gross)	4.1	4.2
Change from the previous year	73	253
Change in % of net result before taxes	0.3	1.9

Exchange rates

			Rate as at the balance sheet date		Annual average rate	
CHF			2024	2023	2024	2023
Euro countries	1	EUR	0.94	0.93	0.95	0.97
United Kingdom	1	GBP	1.14	1.07	1.13	1.12
United States	1	USD	0.91	0.84	0.88	0.90
Australia	1	AUD	0.56	0.57	0.58	0.60
Singapore	1	SGD	0.66	0.63	0.66	0.67
China	100	CNY	12.41	11.79	12.23	12.70
Thailand	100	THB	2.64	2.44	2.50	2.59
Hong Kong	100	HKD	11.67	10.73	11.28	11.48

4 Group structure

4.1 Group companies

Company	Notes	Domicile	Currency	Share capital	Share of capital and votes
V-ZUG Holding AG		Zug	CHF	1,735,714	
Household Appliances segment					
V-ZUG AG	1	Zug	CHF	1,900,000	100 %
V-ZUG Kühltechnik AG		Sulgen	CHF	100,000	100 %
SIBIRGroup AG		Spreitenbach	CHF	500,000	100 %
V-ZUG Australia Pty. Ltd.		Sydney (AU)	AUD	100	100 %
V-ZUG Europe BV		Harelbeke-Kortrijk (BE)	EUR	2,000,000	100 %
V-ZUG Deutschland GmbH		Berlin (DE)	EUR	25,000	100 %
Fhiaba s.r.l.		Azzano Decimo (IT)	EUR	100,000	24.99 %
V-ZUG UK Ltd.		London (UK)	GBP	100	100 %
V-ZUG (Shanghai) Domestic Appliance Co., Ltd.		Shanghai (CN)	CNY	8,363,000	100 %
V-ZUG (Thailand) Limited		Bangkok (TH)	THB	100,000,000	100 %
V-ZUG VIETNAM COMPANY LIMITED		Ho Chi Minh City (VN)	USD	500,000	100 %
V-ZUG (Changzhou) Special Components Co., Ltd.		Changzhou (CN)	CNY	19,370,000	100 %
V-ZUG Hong Kong Co., Ltd.		Hong Kong (HK)	HKD	500,000	100 %
V-ZUG Singapore Pte. Ltd.		Singapore (SG)	SGD	250,000	100 %
V-ZUG Services AG	1	Zug	CHF	100,000	100 %
Real Estate segment					
V-ZUG Infra AG	1	Zug	CHF	3,518,590	100 %
V-ZUG Assets AG	1	Zug	CHF	1,000,000	100 %

¹⁾ Directly held by V-ZUG Holding AG.

5 Other information

5.1 Pension schemes

The most important companies with pension plans are located in Switzerland, where pension schemes are organised through independent foundations or collective foundations in accordance with the Swiss Occupational Pensions Act (BVG). A patronage fund is also in place. The purpose of this fund is to provide a voluntary benefit scheme to current and former employees to assist with the economic consequences of old age, disability, death and hardship circumstances.

Employers' contribution reserves (ECR)

	Balance sheet	Balance sheet	Result from ECR or similar items in personnel expenses	Result from ECR or similar items in personnel expenses
in KCHF	31.12.2024	31.12.2023	2024	2023
Patronage fund	19,430	19,237	193	190
Pension schemes	283	283		-4,944
Total	19,713	19,520	193	-4,754

There are no waivers of use.

The interest on the welfare fund of V-ZUG AG, reported under Patronage fund, amounted to CHF 0.2 million (previous year: CHF 0.2 million). For the waiver of contributions to the V-ZUG AG pension fund, CHF 1.8 million (previous year: CHF 4.9 million) of employer contribution reserves was used. In the reporting year, the pension fund of V-ZUG AG allocated CHF 1.8 million for profit participation to the employer contribution reserves. This led to a neutralisation of the result from pension funds in the reporting year. There was no profit participation in the previous year.

Economic benefit / obligation and pension benefit expenses

	Surplus/deficit according to pension plans	Surplus/deficit according to pension plans	Contributions for the period ¹⁾	Contributions for the period ¹⁾	Pension expenses in personnel expenses	Pension expenses in personnel expenses
in KCHF	31.12.2024	31.12.2023	2024	2023	2024	2023
Patronage fund	1,914	969				
Pension plans without surplus/deficit			- 2,274	- 10,844	- 2,274	- 10,844
Pension plans with surplus	5,445	751	- 12,144	- 545	- 12,144	- 545
Total	7,359	1,720	- 14,418	- 11,389	- 14,418	- 11,389

¹⁾ All contributions were to pension schemes that bear pension risks themselves.

ACCOUNTING PRINCIPLES

The income statement includes the payments due to the pension scheme provider in a period and current expenses for the execution of other pension plans. Real economic effects of pension plans on the Group are calculated at the balance sheet date. An economic benefit is only capitalised when this is to be used for the Company's future pension expenses. An economic obligation is recognised as a liability when the requirements for the recognition of a provision are met. Separate, freely available employers' contribution reserves are recognised as assets. The difference between the annually determined economic benefit and obligations and the change in the employers' contribution reserves are recognised in the income statement.

The surpluses are not intended for the economic use of the organisation.

Most pension plans are financed through employer and employee contributions. Pension contributions are calculated as a percentage of the insured salaries. The pension expenses in the previous year were lower because contributions were waived, and more employers' contribution reserves were used than in the reporting year.

5.2 Transactions with related parties

The following tables show the transactions between companies of the V-ZUG Group and related parties included in the income statement and the balance sheet.

Income statement

in KCHF	2024	2023
Net sales	66	55
Income from other services	2,642	4,783
Expenses for goods	-2,685	-4,620
Expenses for property management, building contractor services, rent and energy	-10,450	-10,414
Expenses for other services	-1,680	-1,313

Balance sheet

in KCHF	2024	2023
Assets		
Other receivables	24	1,240
Prepaid expenses and accrued income		108
Tangible assets	619	212
Liabilities and shareholders' equity		
Other current liabilities	213	81

Details of charging between the V-ZUG Group and related third parties

Income from other services includes income from transactions with companies of the Metall Zug Group. Charging in Switzerland arises in particular from the renting out of industrial properties and office premises, from compensation for additional expenses as a result of the site transformation in Zug and from compensation for certain administrative services provided to the Metall Zug Group by the V-ZUG Group. Charging abroad relates to personnel services.

Expenses for goods includes deliveries of goods by an affiliated company. The properties in the southern part of the main site in Zug and further properties in Zug are held by a company of the Metall Zug Group. Rental costs, property maintenance and energy costs were charged to the V-ZUG Group and offset accordingly; these are included under Expenses for property management, building contractor services, rent and energy. Management of the two real estate companies of the V-ZUG Group is contractually delegated to a company of the Metall Zug Group. The relevant services are paid for by the V-ZUG Group. Furthermore, the Metall Zug Group charges for certain IT services and licence costs which are provided by the Metall Zug Group or third parties commissioned by the Metall Zug Group. These charges are also reported under Expenses for other services.

In the previous year, a current receivable from the Metall Zug Group of CHF 0.9 million was reported under Other receivables. This was in connection with an agreement between a Metall Zug Group company and V-ZUG AG on compensation of additional expenses incurred by V-ZUG AG as a result of the site transformation in Zug. Furthermore, in connection with the site transformation, Metall Zug Group companies provided building contractor services, which are capitalised at the V-ZUG Group as an addition to tangible assets.

Charging was, in principle, carried out on the basis of the costs actually incurred plus a processing fee.

Report of the statutory auditor



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To the General Meeting of
V-ZUG Holding AG, Zug

Zug, 4 March 2025

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion
We have audited the consolidated financial statements of V-ZUG Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 79 to 104) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.



Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to



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address the matters below, provide the basis for our audit opinion on the consolidated financial statements (pages 79 to 104).

Inventory valuation

Risk
Gross carrying amount of inventory and the related value adjustments amount to kCHF 112,014 and kCHF 21,330 respectively. The value adjustments primarily relate to spare parts and maintenance materials which are disclosed under semifinished and finished products as well as under trade goods.
During our audit, we focused on this position, since it is material to the consolidated financial statements and the related value adjustments are based on assumptions that have a significant impact on the consolidated financial statements. Information regarding the valuation of inventory is disclosed under „2.1 Net operating working capital“ on pages 90 and 91.

Our audit response
Besides the assessment of the acquisition or production cost of inventory, we evaluated the calculation of the value adjustments and compared management's assumptions with past experience. We evaluated the aging analysis to identify excess inventory. Furthermore, we compared acquisition and production costs with net realizable values and thus analyzed the valuation of inventories. Our audit procedures did not lead to any reservations concerning the measurement of inventory.

Completeness and measurement of provisions for guarantees

Risk
The calculation of provisions for guarantees amounting to kCHF 28,938 is on one hand dependent on assumptions that are determined on the basis of past experience such as average actual costs incurred over the past years. On the other hand, costs that are expected to be incurred in the future due to new facts and circumstances are taken in to account. The position is significant for our audit, because the calculation includes management's estimation. The provisions are disclosed in section „2.5 Provisions“ on page 96.

Our audit response
We assessed the assumptions by comparing them with past experience. In addition, we considered the influence of current events, such as the launch of new products or specific warranty claims. We discussed individual cases taken into account in the provisions with local management. Furthermore, we analyzed the criteria to recognize provisions as well as the underlying assumptions that were made in determining the relevant amounts.
Our audit procedures did not lead to any reservations concerning the completeness and measurement of provisions for guarantees.



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Revenue recognition

Risk	Revenue from the sale of goods is recognized when the rights and obligations of ownership of the goods are transferred to the buyer. There are different contractual arrangements that determine the point in time at which the risks and rewards are transferred. Revenue from service contracts is realized over the corresponding term. Details of revenue recognition are disclosed under '1.1 Segment information' on pages 85 and 86 as well as under '1.2 Net sales and other operating revenue on page 86.
Our audit response	We analyzed the revenue recognition process from order placement to billing. Among other procedures, we focused on the assessment of the recognition of sales transactions that took place close to the balance sheet date. We evaluated the transactions on the basis of the documents such as contracts and delivery notes. We compared credit notes issued in the new financial year with the respective accrual in the reporting year. Moreover, taking delivery terms (Incoterms) into account, we assessed whether the rights and obligations were transferred to the customer in the period under review. Our audit procedures did not lead to any reservations relating to the recognition of revenues.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable,



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matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Christoph Michel

Licensed audit expert

(Auditor in charge)

Stefan Pieren

Licensed audit expert

Income statement

in KCHF	2024	2023
Income from investments	2,000	
Other operating revenue	5,438	4,720
Operating revenue	7,438	4,720
Personnel expenses	-5,916	-4,950
Other operating expenses	-905	-1,074
Operating expenses	-6,821	-6,024
Operating income (EBIT)	617	-1,304
Financial income	2,949	2,265
Financial expenses	-92	-120
Financial result	2,857	2,145
Income before taxes	3,474	841
Direct taxes	-187	-99
Net profit for the year	3,287	742

Balance sheet

in KCHF	2024	2023
Cash and cash equivalents	5,319	5,609
Other receivables third parties	33	226
Other receivables subsidiaries	2,081	5
Prepaid expenses and accrued income third parties	29	30
Prepaid expenses and accrued income subsidiaries	5,435	4,718
Current assets	12,897	10,588
Loans to subsidiaries	127,200	125,300
Investments	25,659	25,659
Fixed assets	152,859	150,959
Assets	165,756	161,547
Other current liabilities third parties	444	154
Accrued expenses and deferred income third parties	2,227	1,595
Current liabilities	2,671	1,749
Share capital	1,736	1,736
Statutory capital reserves		
Capital contribution reserves	108,384	108,384
Other capital reserves	24,444	24,444
Statutory retained earnings	348	348
Retained earnings carried forward	24,886	24,144
Net profit for the year	3,287	742
Shareholders' equity	163,085	159,798
Total liabilities and shareholders' equity	165,756	161,547

Notes to the financial statements

Principles

These financial statements have been prepared in accordance with the provisions on commercial accounting and financial reporting contained in the Swiss Code of Obligations (Articles 957-964I CO).

Loans to subsidiaries

Loans to subsidiaries are recognised at their nominal value less any impairments.

Information on income statement and balance sheet items

Operating revenue

Subsidiaries' dividends are determined in relation to retained earnings and capital requirements. Other operating revenue includes the recharging of management fees to a subsidiary company.

Operating expenses

Personnel expenses and Other operating expenses include remuneration of the Executive Committee, the fees of the Board of Directors, the costs of carrying out the Annual General Meeting and other shareholder and investor activities, the costs of preparing the Annual Report, internal and external audit fees, project costs and capital tax.

Financial result

Financial income includes interest income from receivables from investments. The financial expenses come from bank interest charges.

Current assets

Cash and cash equivalents consist of bank credit balances in Swiss francs. Other receivables as well as Prepaid expenses and accrued income relating to subsidiaries mainly comprise management fees.

Fixed assets

The subsidiaries are granted long-term loans to finance operating activities.

Liabilities

Accrued expenses and deferred income relating to third parties comprise accruals for variable compensation and services for shareholder activities.

Shareholders' equity

As at 31 December 2024, the share capital of V-ZUG Holding AG consisted of 6,428,571 (previous year: 6,428,571) registered shares with a nominal value of CHF 0.27 (previous year: CHF 0.27). The total value of the share capital is CHF 1.7 million (previous year: CHF 1.7 million).

CHF 108.4 million of the capital reserves can be paid out tax-free to shareholders. The Other capital reserves consist entirely of a premium from the founding of the company.

Further information

Investments

See note 4.1 to the consolidated financial statements (Group companies).

Compensation

Information about compensation of the Board of Directors and the Executive Committee is contained in the Compensation Report.

Sureties

There are sureties to secure credit lines to Group companies from banks amounting to CHF 0.5 million (previous year: CHF 0.7 million).

Number of full-time equivalents

As at 31 December 2024, V-ZUG Holding AG had eight full-time positions (previous year: six).

Release of hidden reserves

No hidden reserves were released in the reporting year. A reversal of CHF 0.2 million occurred in the previous year.

Events after the balance sheet date

There were no events between 31 December 2024 and 4 March 2025 that would require an adjustment to the carrying amounts of assets or liabilities of V-ZUG Holding AG or would need to be disclosed under this heading.

Proposal by the Board of Directors for the appropriation of available earnings and capital contribution reserves

Distribution from available earnings

	Proposal of the Board of Directors	Resolution of the General Meeting of Shareholders
in CHF	2024	2023
Retained earnings carried forward	24,887,046	24,144,285
Net profit for the year	3,286,545	742,761
Retained earnings	28,173,591	24,887,046
Dividend of CHF 0.45 per share ¹⁾	-2,892,857	
Retained earnings to be carried forward	25,280,734	24,887,046

Repayment from capital contribution reserves

Capital contribution reserves at the disposal of the Annual General Meeting	108,383,933
Repayment of CHF 0.45 per share ¹⁾	-2,892,857
Capital contribution reserves after repayment	105,491,076

¹⁾ Treasury shares held by V-ZUG Holding AG are not entitled to dividends or repayments.

The repayment from capital contribution reserves is free of withholding tax.

Upon approval of the proposals for the Annual General Meeting of V-ZUG Holding AG of 8 April 2025, the following payment per share will be made with value date 15 April 2025:

Gross dividend from retained earnings	0.45
Gross dividend from capital contribution reserves	0.45
Gross dividend per share	0.90
35% withholding tax on gross dividends from retained earnings	0.16
Net dividend per share	0.74

Report of the statutory auditor



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To the General Meeting of
V-ZUG Holding AG, Zug

Zug, 4 March 2025

Report of the statutory auditor

Report on the audit of the financial statements



Opinion
We have audited the financial statements of V-ZUG Holding AG (the Company), which comprise the balance sheet as at 31 December 2024, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 107 to 109) comply with Swiss law and the Company's articles of incorporation.



Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements (pages 107 to 109).



2

Valuation of investments and loans

Risk
The core business of V-ZUG Holding AG is granting loans to subsidiaries (kCHF 127,200) and holding investments (kCHF 25,659). These two items make up 92% of all assets of the entity. Depending on the operational developments of the individual subsidiaries, there is a valuation risk regarding investments and loans. Disclosures are made in the notes to the financial statements under 'Fixed assets' (page 108) and 'Investments' (page 109).

Our audit response
We assessed the impairment considerations of management and tested if impairments on investments and loans were necessary. We compared the carrying amounts of the investments with the proportionate share in equity. In case net assets were insufficient, we tested the valuations prepared by management (e.g., using the discounted cash flow method) to support the carrying amount. We examined the significant assumptions made for these calculations and involved internal valuation specialists as necessary. Our audit procedures did not lead to any reservations concerning the valuation of investments and loans.



Other information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements
The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



3



Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse’s website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposals of the Board of Directors comply with Swiss law and the Company’s articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Christoph Michel

Licensed audit expert

(Auditor in charge)

Stefan Pieren

Licensed audit expert

Appendix to the report on non-financial matters

About non-financial reporting	113	Climate report (TCFD)	155
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About non-financial reporting

This report on non-financial matters is included as an integral part of the 2024 Annual Report of V-ZUG Holding AG. It focuses on the non-financial reporting of V-ZUG Holding AG. It is also available for download as a standalone report on the V-ZUG website. The report on non-financial matters covers the significant economic, environmental and social impacts, risks and opportunities of the three production sites of V-ZUG Holding AG (V-ZUG Group): V-ZUG AG, headquartered in Zug, V-ZUG Kühltechnik AG based in Sulgen, as well as the foreign subsidiary V-ZUG (Changzhou) Special Components Co. Ltd., which is based west of Shanghai. Details which do not pertain to the organisational units above are indicated specifically (e.g. Group-wide or specific to the Swiss market).

V-ZUG Holding AG reports in line with the GRI Standards (2021) for the period from 1 January 2024 to 31 December 2024 and in accordance with the regulatory requirements for non-financial reporting in Switzerland (Article 964a et seq. CO). The full report on non-financial matters, together with the Annual Report, was approved and signed by the Board of Directors on 4 March 2025.

The previous report on non-financial matters was published in spring 2024, covering the period from 1 January 2023 to 31 December 2023.

The four sections “Products and services for a future-fit society”, “Resilient and committed employees”, “Environment and climate protection” and “Entrepreneurship for sustainable prosperity” reflect the strategic focus topics of V-ZUG and describe the impacts, risks, opportunities, management approaches and campaigns, strategic objectives and KPIs associated with the material sustainability topics (materiality matrix). V-ZUG updated the materiality matrix in 2024 using the method of double materiality required by the EU ESRS standards (section “Sustainability as part of the strategy”).

A total of 1,741 FTE employees (excluding temporary employees) are included within the scope of the report, including the key figures for 2021 to 2024. This equates to 84% of the total number of V-ZUG Group employees, which, on 31 December 2024, amounted to 2,064 FTEs (including temporary employees).

This report represents and addresses all genders and favours inclusive wording.

V-ZUG is publishing a non-financial report for the twelfth time. In doing so, V-ZUG is striving to present progress and challenges in terms of its commitment to sustainability in a transparent, comprehensible and verifiable manner. Any questions and feedback may be sent to marcel.niederberger@vzug.com

Material topics: Impacts, risks and opportunities (IROs)

Focus topic: Products and services for a future-fit society

Issue 1: Durable and circular product design

V-ZUG sees circularity as a holistic concept, which includes the product from the early stage of development to its end of life and takes into account the following aspects:

- Enabling transformation from the recycling economy to the circular economy
- Quality, longevity, durability and aesthetics
- Promoting repairability, including sustainable spare parts management and service fleet
- Sustainable use of materials, e.g. recycled materials, environmentally friendly and degradable materials; reducing hazardous materials; reducing material intensity and using electronics consciously
- Modularisation/upgradeability and retrofitting capability: This relates to standardising the parts used across different products and product variants, and the possibility of modernising products with specific components
- Enabling reuse
- Making products easier to recycle and less costly to dismantle
- End of life: Refurbishment and resale, or dismantling appliances with the reuse, recycling, re-circulation and re-purposing of components
- Paying attention to primary packaging in direct contact with the product (e.g. appliance packaging)
- This material topic has a major impact on upstream CO₂ emissions (Scope 3) from category 3.1 “Purchased goods and services”

Actual and potential positive or negative impacts:

+	Actual	Reduced strain on natural resources through circular product design and durable products
+	Potential	Influence on material innovations for the materials used and primary packaging (development, commercial viability, etc.)
+	Potential	Influence on competitors/market and other stakeholders (e.g. recycling partners) for enhanced sustainability (specifically circularity) by being a role model/driver of innovation

Risks:

- High investments, e.g. in circular product developments (green design guidelines), adjustments in the production process and infrastructure
- Commercially non-viable circularity innovations
- Complex transition phase due to increasingly complex value chains
- Dependencies on circular partners, such as recyclers, suppliers, customers, or lack of options (single source)
- Complex transition phase due to increasingly complex value chains

Opportunities:

- Developing new products and services compatible with the circular economy in line with customer demand
- Tapping into new target groups through alternative/circular business models
- Customer acquisition and customer satisfaction thanks to responsible product design according to the principles of the circular economy
- Improving resilience by reducing the dependence on procurement markets

Issue 2: Energy-efficient design and environmentally responsible use

V-ZUG assumes responsibility from the design to the use of the appliances in the home and considers the following aspects in this context:

- Energy-efficient design (programs, functionalities, efficient components, stand-by consumption, amount of electronics, etc.)
- Integrating functions to enable products to be used ecologically: Users can use the appliances in a simple and environmentally friendly manner.
- Provision of comprehensive information for ecological use (tips, tricks, energy suppliers, energy and emissions, etc.): The users are aware of the options for resource-efficient use of the appliances and make use of them (awareness-raising and educational efforts, e.g. using the ecological function).
- Water efficiency and the use of washing detergents are also considered; however, this aspect is weighted less, as all appliances require electrical energy, but only some of the appliances (washing machines and dishwashers) need water and washing detergents.
- This material topic has a major impact on downstream CO₂ emissions (Scope 3) from category 3.11 "Use of sold products".

Actual and potential positive or negative impacts:

– Actual	Environmental impact and energy consumption from appliances used in the home
+ Actual	Reduction of environmental impact through more energy-efficient appliances
+ Actual	Cost savings for customers thanks to lower energy consumption
+ Potential	Contribution to the security of energy supply thanks to reduced energy demand with efficient appliances
+ Potential	Influence on competitors/market and other stakeholders to the benefit of sustainability (specifically energy efficiency) by being a role model/driver of innovation
+ Potential	Protection of the environment through conscious use of appliances thanks to awareness-raising about products and services (e.g. ecological programs/non-use of certain functions such as dryer)

Risks:

- Major investments to develop ecological functions that customers do not use or only use infrequently

Opportunities:

- Competitive advantage through differentiation/leading role with energy-efficient appliances (particularly important with higher energy prices)
- Exploiting the opportunities of digitalisation that promote ecological/energy-efficient behaviour among users (nudging, gamification and networked appliances)

Issue 3: Innovations which benefit customers

V-ZUG is constantly working on innovations that meet the needs of customers while generating positive ecological, social and economic added value:

- Developing innovative products and services that create added value for customers (simple use, time savings in the household, enjoyment, design, etc.) and are successful on the market.
- Differentiation from competitors through innovation and increasing net sales.
- Developing innovative, environmentally friendly functions and programs as well as responsible use of resources.
- Innovative business models with sustainable added value: Offering new services, such as trading in used appliances, refurbishment, "Product as a Service", food products, renewable energy supplier, service including repairs, second life spare parts, CO₂ compensation in use, "Shared Economy", etc.
- Inspiration through innovation: Promoting a sustainable lifestyle and healthy nutrition, e.g. V-Kitchen with innovative recipes, etc.
- Digitalisation and networking of household appliances and offering innovative functions.

Actual and potential positive or negative impacts:

- | | |
|-----------------------------------|--|
| <div>+</div> <div>Actual</div> | <div>More high-quality, innovative appliances on the market with a higher lifespan and lower consumption for a smaller environmental footprint</div> |
| <div>+</div> <div>Potential</div> | <div>Positive perception of innovative quality products spreads to other categories of consumption to promote sustainability in general</div> |

Risks:

- **Commercially non-viable innovations or business models that do not appeal to customers**
- Customers do not network their household appliances, which keeps them from generating full added value

Opportunities:

- **Competitive advantage thanks to beneficial innovations as well as clear positioning and reputation building leads to higher net sales**

Issue 4: Customer satisfaction

V-ZUG strives to guarantee full customer satisfaction and considers the following aspects in this context:

- Ensuring a positive customer experience throughout the entire customer journey – from the time of interest to use and further recommendation.
- Awareness: Sparking interest, strengthening brand perception, communication, engagement, etc.
- Consideration: Ensuring interest through information procurement, comprehensive information from V-ZUG and extensive advice from our resellers (wholesale, kitchen builders and online), training for resellers and trade fairs.
- Purchase: Purchase decision for the right appliances with the right functions, for the right use in relation to the customer requirement (incl. sufficiency: do I really need a dryer?).
- Installation: Proper installation of the appliances to ensure longevity and product safety (ventilation slits, ergonomics, etc.).
- Requiring the training of installers and fair working conditions.
- Retention:
 - Use and service: positive product experience in use, supporting environmentally friendly user behaviour, first-class services (repair service, response time, repair time and repairability), cooking classes, product demonstration and training of external service teams, etc.
 - Sustainable lifestyle and healthy nutrition: Our products are designed to support users in their efforts to eat in a healthy and environmentally friendly manner, to minimise food waste (animal welfare, sustainable and healthy recipes and inspiration) and to gently wash clothing, thereby increasing its lifespan. This includes maintaining social contacts, acting as host, inviting friends, etc.
- Advocacy: Satisfied and enthusiastic customers help to ensure further recommendations and/or sales

Actual and potential positive or negative impacts:

Actual	High customer satisfaction thanks to excellent quality, functionality and design of products and services
Actual	Increased awareness (e.g. for the environment and health) and informed customers thanks to transparent and helpful communication
Actual	Physical safety of users through safe appliances, professional technical service and transparent communication (e.g. instructions for use)
Actual	Longer appliance lifespan thanks to professional and correct installation
Potential	Lower environmental impact thanks to information and communication on the resource-efficient use of the appliances (less electricity, fewer repairs and less material)
Potential	Increasing environmentally conscious purchase decisions by customers through targeted information and communication in downstream channels by V-ZUG and third parties (online shops, kitchen builders, wholesalers and service companies, etc.)
Potential	Contribution to improved user health through information, tips and services for more sustainable/healthier lifestyle and less food waste (e.g. V-Kitchen)
Potential	Contribution to reasonable/better working hours (due to higher social requirements and audits, etc.) among third parties (e.g. installers)

Risks:

- Ineffective efforts/investments due to low use of the offer by users (e.g. V-Kitchen)
- Insufficient/incorrect information provided by third parties to customers regarding products and services (e.g. sellers/installers)
- End customers perceive sustainability efforts as patronising (e.g. V-Kitchen and the V-ZUG Home app), leading to less sales/move to competition

Opportunities:

- Competitive advantage through positive customer experiences and high customer satisfaction lead to recommendations/further purchases while also boosting net sales
- Positive influence in favour of more sustainable purchase and consumption decisions thanks to information and transparency in communication
- Strengthening general market opportunities/acceptance of circular products and business models (PaaS and second hand)
- Competitive advantage and reputation building among end customers thanks to exemplary positioning in environmental and health topics

Focus topic: Resilient and committed employees

Issue 5: Health and safety of employees

V-ZUG bears responsibility for the health and safety of employees in the workplace. We consider the following aspects in this context:

- Mental and physical health: This includes both preventative and accompanying measures for daily work together in dealing with changes that contribute to health in the workplace (in the office or at home) as well as a healthy lifestyle during leisure time. We consider one important factor of this to be personal resilience and measures that promote it.
- Health and safety culture: This is about establishing and implementing a culture of health and safety within the company. Key influential methods include HR management and communication.
- Raising employee awareness through internal initiatives in the areas of sustainable lifestyle and healthy nutrition, climate awareness, social commitment, mobility, consumption, travel, etc.
- Occupational safety and workplace conditions: Employees should be safe in the workplace. This is about safe workplaces in areas such as production and suitable occupational safety measures, such as protective clothing. Having healthy workplace conditions means setting up all workplaces to make them as conducive to health as possible – e.g. in terms of ergonomics, noise emissions or temperatures.
- Reintegration of people with disabilities: Employees with long-term health impairments are supported when reintegrating into the workplace.

Actual and potential positive or negative impacts:		
	Actual	Influence on employee well-being and satisfaction through regulated and fair working hours
	Actual	Influence on work-life balance through flexible working models
	Actual	Influence on the health and productivity of employees through occupational health and safety
	Actual	A humane work environment free from child labour through zero-tolerance policy and measures (audits, etc.)
	Actual	Maintaining employee privacy
	Actual	Influence on satisfaction and long-term employment relationships through adequate wages
	Actual	Strain on the health and social security system (including health costs) due to accidents and/or insufficient occupational safety measures
	Potential	Influence on employee health and well-being through awareness campaigns (with potential impact on their personal environment)
	Potential	Added value for the company through satisfied and efficient employees as constructive citizens

Risks:

- Climate-related extreme weather affects the health and productivity of employees (costs of absences/adaptation costs)
- Financial losses due to occupational safety breaches by employees

Opportunities:

- High level of employee loyalty through secure and attractive working conditions
- Boosting employer attractiveness through modern and flexible working structures (Employer Branding)
- Increased productivity through effective and resilient employees thanks to occupational health management and other initiatives
- Lower costs of absences thanks to effective safety precautions and occupational safety concepts
- Increased productivity through digital/hybrid work opportunities

Issue 6: Developing potential and managing expertise

V-ZUG strengthens the employability of its employees, supports its managers, ensures internal knowledge transfer and positions itself to attract new talent.

- **Employability:** By this, we mean the employability of our staff, which is meant to be enhanced and maintained. Development measures may vary depending on their age, profession and potential.
- **Education and training:** This concerns the technical, methodological and social development of employees, as well as training positions such as apprenticeships and internships.
- **Career development and succession planning:** Employees should have the opportunity for advancement. Career development enables prospects to be highlighted and the associated development to be fostered. This also includes internal succession planning for key personnel and functions.
- **Identification, promotion and use of potential:** It is key to use potential successfully. This motivates personnel and leads to a high level of commitment
- **Expertise management:** This is about how to retain employee expertise within the company and make it accessible to all employees.
- **Engagement:** The active involvement of employees in the organisation of the company as well as a proactive feedback and input culture (including the employee survey) fosters employee loyalty, satisfaction and productivity.
- **Successful targeted recruitment:** This aspect describes how and whether we succeed in finding and recruiting the right employees.
- **Targeted retention management:** Targeted retention management and the avoidance of unwanted fluctuation optimises social and corporate responsibility.

Actual and potential positive or negative impacts:

	Actual	Promoting employability and thus the ability of employees to independently and sustainably secure their economic well-being (job security and prosperity)
	Actual	Influence on the well-being and satisfaction of employees through secure jobs
	Actual	Contribution to the Swiss skilled labour market through highly trained employees (e.g. with training)
	Potential	Influence on standards relating to employer attractiveness and the promotion of employees on the labour market through the function as a role model (Employer Reputation)

Risks:

- **Loss of expertise and innovative capacity/competitiveness due to unwanted staff turnover (high potentials leave and low potentials remain)**
- **A shortage of skilled workers leads to a lack of expertise and poor competitiveness**

Opportunities:

- **Strong motivation and commitment of employees by supporting potential (function and prospects) with positive consequences for employee productivity and retention**
- **Increased innovation through highly trained employees**
- **Securing expertise in the long term through prudent succession planning**

Issue 7: Diverse and inclusive working culture

V-ZUG promotes a diverse and inclusive working culture and considers the following aspects in this context:

- Equality: This refers to equal opportunities and equal treatment, for example in terms of pay or career opportunities.
- Supporting diversity and an inclusive culture of collaboration: Topics such as respect, openness, tolerance and mutual appreciation are key, for example when integrating people with asylum or migration in their background, people with disabilities, etc.
- Ban on discrimination: This aspect of risk relates to how discrimination is prevented and how possible incidents are handled in the company.
- Flexible working: This means working independently of time or place, and how the company deals with the many opportunities and risks associated with flexible working.
- Forms of work: Forms of work that promote the diverse and inclusive work culture, e.g. part-time work, job sharing, co-management or interdisciplinary collaboration.
- Reputation: The image and role-model function of V-ZUG as well as opportunities for talent acquisition and retention (Employer Branding). Potential risks arise, for example, when errors are made in communication or diversity targets are missed.
- Increased innovation and customer-oriented products thanks to diverse teams.

Actual and potential positive or negative impacts:

+	Actual	Economic security for employees (job security and prosperity) thanks to long-term employment across different phases of life
+	Actual	Contribution to equal prosperity for female and male employees by ensuring equal pay
+	Actual	Contribution to equal development of potential for all employees through training and education opportunities
+	Actual	Fair working conditions with equality of opportunity and recruitment free from discrimination
+	Actual	Inclusion of people with disabilities through the creation of job opportunities
+	Actual	Contribution to gender equality through targeted measures for women in the company
+	Potential	Respectful, open and non-discriminatory working culture/working environment thanks to awareness campaigns (e.g. awareness of gender issues, LGBTQI, etc.)
+	Potential	Establishing the standard of gender equality and equal pay in the industry or sector and in wider society through the function as a role model
+	Potential	Prevention of serious problems (violence, discrimination, sexual harassment and bullying) in the workforce thanks to preventive activities and a reporting point
+	Potential	Contribution to mitigating the shortage of skilled workers through inclusive teams
+	Potential	Positive contribution to social inclusion and equal opportunities for society and the economy as a whole through the function as a role model

Risks:

- Loss of reputation and image in the event of failure or misleading communication (“pinkwashing”) with respect to D&I topics and missed diversity targets
- Frictions and challenges in managing diverse teams
- Lack of credibility or reluctance in relation to D&I measures among employees

Opportunities:

- Talent acquisition and retention through open and inclusive work culture (employer branding)
- Increased innovation and creativity thanks to diversity in teams
- Higher sales and/or better products and high levels of customer satisfaction thanks to an increased understanding of customer expectations through an inclusive workforce (inclusion of different perspectives)

Focus topic: Environment and climate protection

Issue 8: Resource-efficient sites (operations)

For V-ZUG, this includes the following aspects:

- Energy management: This relates to the energy mix used and the investments made in renewable energy (e.g. photovoltaic).
- Energy-efficient production: This relates to the energy consumption of machinery, plants and processes, as well as analysing and optimising this.
- Reducing greenhouse gas emissions: This has to do with the greenhouse gases emitted from sources within the company, such as the vehicle fleet, heating, process gas (Scope 1) and emissions from electricity and district heating (Scope 2).
- This has to do with the efficient use of water as a resource as well as the environmental compatibility of its withdrawal, consumption and discharge.
- Resource-efficient production facilities: This concerns the lifespan and resource efficiency of the production facilities.
- Structural ecology: This has to do with the use of building materials such as concrete or timber, and adherence to sustainability standards for construction. This also includes the energy consumption of buildings.
- Responsible handling of hazardous substances.

Actual and potential positive or negative impacts:

+	Actual	Reduction of environmental impact through innovations in energy supply (e.g. Multi Energy Hub)
-	Actual	Environmental pollution from emissions (through production and operations)
-	Actual	Energy consumption for the production and distribution of appliances
-	Actual	Air pollution from production-related emissions
-	Actual	Pollution of water quality through production-related processes
-	Actual	Soil pollution through production-related processes
-	Actual	Water consumption through production-related processes
+	Potential	Contribution to the net-zero target by 2050 through new technologies (e.g. negative emission technologies NET)
+	Potential	Collaborative exploration of alternative energies for the benefit of the industry (Association for the Decarbonisation of Industry)

Risks:

- Higher costs due to stricter environmental regulations (e.g. CO₂ tax for companies)
- Security of energy supply (cost and availability, e.g. electricity and natural gas)
- Comparatively high investment costs for more ecological buildings and energy supply systems
- Operational disruptions in the transition (e.g. production lines)
- Fines and/or legal proceedings for environmental damage and/or mishaps

Opportunities:

- Reducing costs due to lower material requirements and energy consumption
- Strategic differentiation through ambitious and innovative measures as well as pioneering role (e.g. internal CO₂ fund)

Issue 9: Operational waste management

Waste management at V-ZUG comprises the following aspects:

- Management of various waste categories:
 - Production waste (metal, plastic, hazardous waste, etc.)
 - Operational waste (office materials, food, electronics, etc.)
 - Secondary packaging (wooden pallets, cardboard, film, polystyrene, etc.)
 - Noise
 - Waste water
 - Exhaust and odour
- Measures to reduce waste, in particular waste that cannot be reused or recycled.
- Waste collection and declaration
- Proper disposal and optimisation of the types of disposal (reuse, recycling, composting, incineration, etc.)
- Proper disposal of waste that cannot be reused (oil, hazardous substances, etc.)

Actual and potential positive or negative impacts:

+	Actual	Reduction of waste (resource consumption) through material innovation, product design, partnerships, manufacturing and demanufacturing processes
-	Actual	Generation of waste through production and building management

Risks:

- Financial investments for transition (new facilities/equipment for waste disposal, e.g. shredders and baling presses)
- Operating costs and loss of reputation in the event of inadequate waste management

Opportunities:

- Reducing waste to lower environmental footprint and achieve cost savings
- Better transparency in waste flows allows for proper waste management, reduces environmental footprint and generates cost savings
- Success factor for circular business models/new circular partnerships

Issue 10: Logistics and mobility

For V-ZUG, the focus is particularly on the greenhouse gas emissions resulting from the following aspects:

- Upstream and downstream logistics: Logistics in the upstream and downstream value chain.
- Intra-company logistics: Optimisation of transport between V-ZUG sites (incl. route planning).
- Warehouse management: Optimal warehouse size and efficient warehouse management are paramount here.
- Fleet management: Optimisation of the type and powertrain technology of vehicles.
- Business travel
- Employee mobility: Use of various means of transport during commuting

Actual and potential positive or negative impacts:

Actual	Reduced environmental impact by raising awareness among employees and logistics partners in the area of mobility
Actual	Air pollution from emissions due to logistics/mobility

Risks:

- Loss of reputation through the visible use of old diesel cars and service vehicles

Opportunities:

- Cost reduction thanks to alternative drive systems/fleet e-mobility
- Positive influence on employee mobility behaviour for a lower environmental footprint
- Positive influence on the mobility behaviour of logistics partners for a lower environmental footprint
- Cost reduction thanks to optimised infrastructure (e.g. warehouse size)

Issue 11: Biodiversity and ecosystems

In the field of biodiversity and ecosystems, V-ZUG takes the following aspects into account:

- Biodiversity – defined as the variety of ecosystems, species and genes – is critical for functioning ecosystem services, i.e. services provided by nature, such as pollination, climate regulation, protection against flooding, soil fertility, and the production of food, fuel, fibres and medicinal products.
- Dependence of companies and society on ecosystem services
- Direct and indirect influence of business activity on biodiversity (species diversity) and ecosystems (forests, seas, rivers, deserts, etc.):
 - Influence in the supply chain through the materials used, the extraction of raw materials, mines, etc. (upstream)
 - Influence through production sites, land use, construction method, etc. (direct operations)
 - Influence through the use of appliances, electricity and water consumption, impact of washing detergent, microplastics, etc. (downstream)

Actual and potential positive or negative impacts:

+	Actual	Contribution to increasing biodiversity and building ecosystems by supporting reforestation (e.g. V-Forest)
-	Actual	Impairment of biodiversity and ecosystems due to emissions and resource consumption for production
-	Actual	Use of biodiversity and ecosystems through mobility and logistics-related emissions/activities
-	Actual	Decline of biodiversity and ecosystems due to land use and expansion for production sites
-	Actual	Impact on biodiversity and ecosystems through the extraction of natural raw materials (e.g. ore extraction for steel production, minerals for batteries, precious metals)
-	Actual	Strain on natural resources and ecosystems as a result of products and their use (e.g. metals, water for energy)

Risks:

- Loss of reputation if the issue is handled inappropriately (management approach and communication)

Opportunities:

- Cost savings due to lower requirement of primary material thanks to the circular economy in order to preserve ecosystems and resources

Focus topic: Entrepreneurship for sustainable prosperity

Issue 12: Responsible and resilient supply chain

For V-ZUG, this includes the following aspects:

- Supplier management: Shaping the supplier-buyer relationship, building and maintaining a supplier base, appropriate risk management and ensuring supply security.
- Stable partnerships: Partnerships that are based on trust and contribute to supply chain resilience (including the financial stability of the suppliers).
- Sustainable procurement policies: Specification and monitoring of standards regarding the environment, social responsibility and economic efficiency in the supply chain in order to make a positive contribution and achieve improvements.
- Traceability and transparency: The goal is to create the greatest possible transparency with regard to individual supply chains, thereby ensuring that individual corporate responsibility can be assumed.
- Good partnerships in the supply chain are an important component of a functioning circular economy.
- Capacity building: Stakeholders within the supply chain are expected to support themselves in developing and improving their skills.

Actual and potential positive or negative impacts:

	Actual	Influence on the financial stability of suppliers thanks to long-term partnerships
	Actual	Fostering the circular economy through partnerships
	Actual	Contribution to increasing social/environmental standards in the supply chain through high requirements (CoC, Supplier CoC, audits)
	Potential	Contribution to a decent work environment (in particular without child labour or forced labour) through compliance with social standards (zero-tolerance policy in the Supplier CoC) and measures (audits, etc.)
	Potential	Financial stability, secure jobs with fair and equal pay, and increased prosperity of the suppliers' employees in the upstream value chain
	Potential	Knowledge transfer and mutual learning with an impact on, for example, supplier innovation
	Potential	Adverse impact on the prosperity and financial stability of suppliers as a result of lower demand for raw materials and changes in the supply chain
	Potential	Risk to the quality of life and health of the local population in the areas of resource extraction

Risks:

- Supply disruptions or more expensive procurement, e.g. due to extreme weather conditions, geopolitical events, pandemics and shortages of raw materials
- Material bottlenecks and dependencies on suppliers (low resilience)
- Insufficient risk management by suppliers with higher risks results in negative incidents and loss of reputation
- Loss of reputation caused by general misconduct by suppliers
- Resource-intensive and difficult supplier management

Opportunities:

- Future-fit, innovative partnerships and supplier projects to achieve greater sustainability
- Resilient and trust-based supplier relationships as a result of greater collaboration
- Effective supplier management boosts transparency and traceability in supply chains in tandem with due diligence

Issue 13: Long-term corporate success as added value for society

For V-ZUG, this includes the following aspects:

- Profit and productivity: Our long-term corporate success is a fundamental prerequisite for investments that promote sustainability and safeguard local jobs.
- Doing business within planetary limits: The ecological limits of our planet must be observed in the use of natural resources.
- Investments for a future-fit society: This includes investments in infrastructure projects as well as the investment philosophy of the V-ZUG pension fund.
- Site policy and its indirect economic impacts: The impact of our commitment to the Switzerland site (including taxes) as well as the further development of the expertise hub or boosting innovation at V-ZUG sites.
- Partnerships, joint ventures and collaboration: Added value and innovation often have their roots in partnerships, and some challenges necessitate working with other organisations. We work together with a large number of stakeholders in the fields of research and science, in the public sector as well as with corporate networks, associations, business partners and charitable organisations, etc.

Actual and potential positive or negative impacts:

+	Actual	Safeguarding employee jobs and fair wages through stable corporate profits and profitability
-	Actual	High and stable corporate profitability that benefits tax collection at sites and sustainability efforts
-	Actual	Economic and social development and attractiveness of the sites thanks to the innovative capacity and availability of skilled workers as well as the supply of jobs and training positions
+	Potential	Influence on the industry, market and competitors for the benefit of sustainability (e.g. energy efficiency) as a role model and driver of innovation
-	Potential	Positive influence of public discourse (on sustainability in general, long-term site policy of stakeholders involved, etc.) by providing impetus
-	Potential	Multiplier effects in partnerships (e.g. involvement of suppliers in sustainability projects and/or influence on construction partners, investors and architects, etc.)

Risks:

- The supply of products and services has low or no demand among the target groups, resulting in loss of market share
- Negative changes in the market situation lead to lower net sales (inflation, recession, geopolitical tensions, sanctions, etc.)
- Loss of reputation and/or business losses due to ineffective/incorrect communication (e.g. “greenwashing” or missed environmental and climate targets)
- Inadequate financial stability of the company, affecting the resources available for sustainability efforts as well as business success

Opportunities:

- V-ZUG is perceived as a sustainability pioneer, leading to more customers and net sales
- Development of innovative circular business models for the benefit of long-term business success

Issue 14: Business ethics and compliance

V-ZUG pays attention to the following aspects:

- Corporate ethics (Code of Conduct): This is about how V-ZUG carries out its business activities. Besides proactive legal compliance, business operations must be commensurate with ethical and moral principles (e.g. adherence to human rights).
- Corporate governance: This has to do with binding roles, clear responsibilities and effective supervisory and oversight functions between the Executive Committee and the Board of Directors.
- Internal policy management: This relates to whether internal guidelines and policy documents exist and how they are communicated to employees and established within the company.
- Reporting mechanisms: This concerns confidential complaints procedures that enable any misconduct or grievances relating to V-ZUG's business activities to be reported.
- Transparency and communication with stakeholders: This is about the company's communication and information policy, which can at times influence the extent to which stakeholders are able to form a truthful and complete picture of the company.
- Application of and compliance with mandatory and voluntary standards, e.g. relating to product quality or management systems for quality, the environment, staff, etc.

Actual and potential positive or negative impacts:

+	Actual	A humane work environment free from forced labour through zero-tolerance policy and measures (audits, etc.)
+	Actual	Informed customers thanks to transparent, objective and fair communication and advertising/marketing
+	Actual	The freedoms of employees according to the collective agreement (metal and electric industry) are guaranteed
+	Actual	Reduction in corruption through responsible and ethical management thanks to zero-tolerance policy (CoC), training of employees, supervision by managers and available reporting points
+	Actual	The protection of whistleblowers is guaranteed (CoC, Supplier CoC)
-	Actual	Negative effect on the regulatory environment for companies through their own misconduct (e.g. in the case of non-compliance, transparency, etc.)
+	Potential	Greater trust in the company and in the private sector through responsible business activity and role-model function

Risks:

- Legal proceedings and costs due to violations or a lack of compliance
- Employee turnover through misconduct and compliance breaches by V-ZUG
- Mistrust in the company on the part of external stakeholders due to negative incidents/misconduct

Opportunities:

- Responsible management and intact reputation ensure the licence to operate in the long term
- Retention and motivation of employees through trustworthy employer behaviour

Issue 15: IT security and data protection

V-ZUG pays attention to the following aspects in this regard:

- Robust and regularly reviewed IT systems to prevent cyberattacks
- Investing in state-of-the-art security systems to protect against cyberattacks in keeping with the changing risks
- Regular training of all employees on the subjects of IT security and data protection, including simulation of scenarios and exploring security vulnerabilities
- Ensuring production and delivery availability of products thanks to stable IT systems
- Secure and trustworthy handling of external data of customers, suppliers and other partners in compliance with data protection laws
- Secure and trustworthy handling of sensitive, internal data concerning employees, patents, specifications, designs, source code, etc.
- Compliance with archiving requirements for sensitive data (how and where it is stored, protection against fire and water, etc.)

Actual and potential positive or negative impacts:

+	Actual	Guaranteeing functional operations with a focus on production and delivery readiness
+	Actual	Guaranteeing data protection and privacy of customers
+	Actual	Employees are trained in the secure use of IT devices and data protection

Risks:

- Vulnerabilities in data protection management and IT security can lead to production and delivery disruptions

Opportunities:

- Constant availability of products (provision, production and delivery) thanks to stable IT systems

GRI index

The following GRI index is based on V-ZUG's materiality matrix, which was updated in 2024 with input from external and internal stakeholders and in line with the EU ESRS standards. Relevant information is presented transparently in this 2024 Annual Report and is supplemented with additional details in the index. The following table shows the association between the relevant GRI Standards and the subjects evaluated in the materiality process, plus the top-level focus topics:

Focus topic	Subject	GRI indicators	CO 964	Matching ESRS	SDG	Page
Products and services for a future-fit society	Energy-efficient design and ecological use	GRI 3-3	Environmental concerns, Article 964b para. 1 and 2	E1, E5, S4	7, 9, 12, 13	p. 29
	Durable and circular product design	GRI 301	Environmental concerns, Article 964b para. 1 and 2	E5		
	Innovation and customer benefit	GRI 3-3 Own metrics: CHF as % of turnover for innovation (R&D)	Social concerns, Article 964b para. 1 and 2	G1		
	Customer satisfaction	GRI 416	Social concerns, Article 964b para. 1 and 2	E1, E5, S2, S4, G1		
Resilient and committed employees	Health and safety of employees	GRI 403	Employee concerns, Article 964b para. 1 and 2	S1	8	p. 35
	Development of potential and know-how management	GRI 401, GRI 404	Employee concerns, Article 964b para. 1 and 2	S1		
	Diverse and inclusive working culture	GRI 405	Employee concerns, Article 964b para. 1 and 2	S1, G1		
Environment and climate protection	Resource-efficient operations	GRI 302, GRI 303	Environmental concerns, Article 964b para. 1 and 2	E1, E2, E3, E5	7, 9, 12, 13	p. 39
			Climate reporting pursuant to the TCFD			
	Logistics and mobility	GRI 305	Environmental concerns, Article 964b para. 1 and 2	E1, E2, E5		
	Operational waste management	GRI 306	Environmental concerns, Article 964b para. 1 and 2	E1, E5		
	Biodiversity and ecosystems	GRI 3-3	Environmental concerns, Article 964b para. 1 and 2	E4		

Focus topic	Subject	GRI indicators	CO 964	Matching ESRS	SDG	Page
Entrepreneurship for sustainable prosperity	Responsible and resilient supply chain	GRI 204, GRI 308, GRI 414	Environmental concerns, Article 964b para. 1 and 2; Social concerns, Article 964b para. 1 and 2; Respect for human rights, Article 964b para. 1 and 2; Child labour and conflict materials (DDTrO)	E1, S2, S3, G1	8, 9, 12	p. 43
	Long-term corporate success as added value for society	GRI 201, GRI 203	Social concerns, Article 964b para. 1 and 2	E1, E5, S1, S3, S4, G1		
	Business ethics and compliance	GRI 2-23, GRI 419, GRI 417, GRI 415	Prevention of corruption, Article 964b para. 1 and 2	S1, S4, G1		
	IT security and data protection	GRI 418	Social concerns, Article 964b para. 1 and 2; Employee concerns, Article 964b para. 1 and 2	S4, G1		

GRI: Global Reporting Initiative
Article 964b CO: Swiss Code of Obligations, transparency on non-financial matters
ESRS: European Sustainability Reporting Standards, E = environmental standards, S = social standards, G = governance standards
SDG: UN Sustainable Development Goals
TCFD: Taskforce for Climate-related Financial Disclosure (Climate Report)
DDTrO: Ordinance of 3 December 2021 on Due Diligence and Transparency regarding Minerals and Metals from Conflict-Affected Areas and Child Labour

General information

Indicator	Description	Comment/reference
Foundation (2021)		
GRI 1	Principles (2021)	In line with GRI standards, V-ZUG Holding AG produced this report covering the period from 1 January 2024 to 31 December 2024.
The organisation and its reporting practices (2021)		
GRI 2-1	Organisational details	V-ZUG Holding AG Company limited by shares under Swiss law; listed on the SIX Swiss Exchange stock market Headquarters: Zug, Switzerland See chapter "The V-ZUG Group in the Annual Report 2024"
GRI 2-2	Entities included in the organisation's sustainability reporting	The Annual Report covers the companies that make up V-ZUG Holding AG. Unless otherwise stated, the report on non-financial matters covers the following three companies (production sites): V-ZUG AG, V-ZUG Kühltechnik AG and V-ZUG (Changzhou) Special Components Co., Ltd. (see "About this report"). The Annual Report (Financial Report) covers all the V-ZUG Group companies owned directly or indirectly by V-ZUG Holding AG. Entities are consolidated in line with the consolidation approach. See 2024 Annual Report.
GRI 2-3	Reporting period, frequency and contact point	V-ZUG reports annually for the financial year, 1 January 2024 to 31 December 2024, reporting date: 31 December 2024 The report on non-financial matters is being published for the second time as part of the Annual Report. The Annual Report is produced annually for the previous financial year (1 January 2024 to 31 December 2024, reporting date: 31 December 2024). The previous Sustainability Report was published on 13 March 2023. The contact person for questions is Marcel Niederberger, Head of Sustainability: marcel.niederberger@vzug.com
GRI 2-4	Restatements of information	The calculation for "disposal by type" (amount in t and shares in %) was adjusted retroactively for the 2023 financial year due to optimised data collection The key figures for natural gas from the production site in Sulgen have been revised retroactively for the 2023 financial year due to optimised data collection. This has led to an increase of 1 % in CO₂ emissions across the entire Group. The method for calculating LTIR (lost time incident rate) was adapted to international standards for comparability. Occupational accidents lasting three days or more are now included in the calculation (previously already after one day). This applies to the data for 2023 and 2024. From 2024 onwards, we have no longer taken into account external apprentices and retirees when calculating the turnover rate (no employment contract with V-ZUG, e.g. apprentices who are trained at V-ZUG but do not work for V-ZUG). We have adapted the data in recent years.

Indicator	Description	Comment/reference
GRI 2-5	External assurance	Our Scope 1 and 2 CO ₂ emissions (including offsetting) were validated externally by Swiss Climate. The Sustainability Report has not been externally audited as a whole.
Activities and employees (2021)		
GRI 2-6	Activities, value chain and other business relationships	Industry: Household Appliances Business model: Development, manufacture and sale of large household appliances (e.g. washing machines, ovens, refrigerators, etc.). Current product range at www.vzug.com/products Value chain: V-ZUG operates its own sales companies in Australia, Austria, Belgium, China, Denmark, France, Germany, Ireland, Hong Kong, Luxembourg, the Netherlands, Singapore, Thailand, the United Kingdom and Vietnam. V-ZUG products are also available via distributors in Israel, Italy, Lebanon, Norway, Spain, Turkey, Ukraine and the USA. V-ZUG serves a total of 24 markets including Switzerland, its home market. Business relations with Russia have been suspended due to sanctions. Organisational supply chain: In total, we work with and maintain long-term relationships with around 1,500 Tier 1 suppliers. We also have an estimated 5,000 additional indirect suppliers (Tier 2). Around 60 % of our Tier 1 suppliers are based in Switzerland, and another 30 % or so are located in nearby European countries. Payments amount to approximately CHF 200 million per year. Downstream activities and entities: Private customers, specialist retailers, kitchen builders, real estate management companies and real estate owners. V-ZUG's products are sold predominantly via trade outlets. The traders sell them to installers and display them in various settings, including showrooms, where end consumers can obtain information about the products. V-ZUG also operates numerous exhibition and advisory centres as well as V-ZUG Studios worldwide. In addition to commercial firms and kitchen builders, key customer groups primarily include real estate management companies and real estate owners, as well as their agents (such as architects and general contractors). Private customers purchase V-ZUG appliances predominantly via specialist retailers, kitchen builders, general contractors and architects. Strategic partnerships: • Tech Cluster Zug AG, Zug • Universities and higher education establishments: HSLU, ZHAW, HWZ, FHNW, OST, ETH, EMPA • SENS – Foundation for recycling electrical and electronic appliances Social engagement: At its production facilities in Zug, V-ZUG AG works with the “zuwebe” Foundation, enabling people with disabilities to integrate into the work process. V-ZUG Kühltechnik AG has for many years maintained a partnership with Obvita, which supports the integration of people with visual disabilities and mental disorders into professional and social life. Via this collaborative initiative, a working group from Obvita regularly carries out assembly tasks at V-ZUG Kühltechnik AG's refrigerator production facilities.

Indicator	Description	Comment/reference
GRI 2-7	Employees	The total number of employees (2024: 2,064) and a breakdown by gender and region: - Women: 499 - Men: 1,565 - Switzerland: 1,813 - Europe (excl. Switzerland): 84 - Asia: 145 - Australia: 22 Total number of employees with permanent contracts: - Women: 447 - Men: 1,437 - Switzerland: 1,701 - Europe (excl. Switzerland): 84 - Asia: 77 - Australia: 22 Total number of employees with fixed-term contracts: - Women: 52 - Men: 128 - Switzerland: 112 - Europe (excl. Switzerland): 0 - Asia: 68 - Australia: 0 Employees with no guaranteed working hours: At V-ZUG, there are no employees without guaranteed working hours. Total number of full-time employees: - Women: 338 - Men: 1,434 - Switzerland: 1,530 - Europe (excl. Switzerland): 77 - Asia: 144 - Australia: 21 Total number of part-time employees: - Women: 161 - Men: 131 - Switzerland: 283 - Europe (excl. Switzerland): 7 - Asia: 1 - Australia: 1 V-ZUG's business operations do not cause any significant seasonal fluctuations in headcount. The 2024 figures relate to the V-ZUG Group.
GRI 2-8	Workers who are not employees	Temporary workers, appointed via external agencies: 94 External contractors (support): 91 The 2024 figures relate to the V-ZUG Group.

Indicator	Description	Comment/reference
Corporate management (2021)		
GRI 2-9	Governance structure and composition	V-ZUG Holding AG's Board of Directors (hereinafter "BoD") has three standing committees: the Audit Committee, the Human Resources and Compensation Committee and the Digitalisation Advisory Board. The Executive Committee's operational management structure is made up of the following departments (for details, see "Executive Committee" on our website): • CEO V-ZUG Group: Quality, Corporate Strategy, Sustainability • International department: Market Subsidiaries, Distributors, OEM Business, Business Development • Finance department: Group Finance and Controlling, Business Controlling, Legal and Compliance, Investor and Media Relations • Swiss Market department: Sales, Marketing, Customer Care, Field Service • Operations department: Supply Chain Management, Procurement, Production Plants, Infrastructure, Transformation/Industrial Automation • Technology department: Product Segments, Mechanical Design, Software & Electronics, Competence Centre, Technology & Innovation, ICT • Human Resources department: Competence Centre, Services & IT Projects, Business Partners, Vocational Training, Internal Communication • Marketing department: Global Product Management, Global Marketing and Communications, Global Omnichannel Commerce and Data, Global Design, Global Sales Excellence, Global Product Marketing Committees responsible for decision-making on environmental and social topics: • Executive Committee (hereinafter "EC") • "V-ZUG Sustainability Workforce" working group led by the Head of Sustainability • Internal auditors for quality, environment and occupational safety, Cyber Security Committee
		In June 2020, the V-ZUG Group broke away from the Metall Zug Group and was simultaneously listed on SIX Swiss Exchange. Metall Zug AG retains around 30 % of V-ZUG Holding AG and remains an anchor shareholder. See "Spin-off and listing" on the website.
GRI 2-10	Nomination and selection of the highest governance body	See 2024 Annual Report.
GRI 2-11	Chair of the highest governance body	The Chair of the Board of Directors is Oliver Riemenschneider. Like all members of the BoD, he is non-executive. See 2024 Annual Report.
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Material sustainability topics are approved by the BoD and the EC. Building on this, medium and long-term sustainability goals are defined and approved by the BoD and the EC. Those members of the EC who are responsible for focus topics regularly evaluate the degree to which these topics have been achieved, together with the Head of Sustainability and the "Sustainability Workforce". At the four regular BoD meetings each year, information regarding sustainability issues is presented and/or proposals are submitted for decisions. Sustainability issues also form an integral part of the risk management process, which is overseen annually by the BoD. There is no structured stakeholder discussion regarding sustainability issues at board level. Issues are addressed as required. Since 2023, the report on non-financial matters has been integrated into the Annual Report and approved by the BoD.

Indicator	Description	Comment/reference
GRI 2-13	Delegation of responsibility for managing impacts	Overall responsibility is delegated to the CEO. Four members of the EC are each responsible for a single focus topic. The impact of measures and campaigns in terms of our focus topics is assessed three times a year. Annual sustainability reporting provides information about targets and the degree to which they have been met. It is made available to all stakeholders including the governance body.
GRI 2-14	Role of the highest governance body in sustainability reporting	Since 2023, the report on non-financial matters has been integrated into the Annual Report and approved by the BoD.
GRI 2-15	Conflicts of interest	Conflicts of interest must be disclosed and avoided where possible. Failing this, members shall abstain from voting on any matter where they have a conflict of interest (see “Organisational Regulations” at https://www.vzug.com/ch/en/corporate-governance).
GRI 2-16	Communication of critical concerns	Compliance-related matters must be reported to the official reporting point (compliance@vzug.com). The V-ZUG Group's Legal department is responsible for handling, documenting and finalising compliance-related cases. The Audit Committee is responsible for our whistle-blowing process as part of our Code of Conduct. The Legal department reports directly to the Audit Committee in such cases. In 2024, five cases were reported via compliance@vzug.com. One case was reported via the external reporting point (The Swiss Crisis Intervention Foundation). Such reports are treated in confidence.
GRI 2-17	Collective knowledge of the highest governance body	The topic of “sustainable development” is regularly discussed at the quarterly meetings of the BoD. In this way, the BoD is actively involved and keeps up to date with the latest information on the key sustainability issues for V-ZUG and the associated requirements, challenges, opportunities and risks.
GRI 2-18	Evaluation of the performance of the highest governance body	The performance of the BoD is not evaluated externally. The BoD conducts an annual self-assessment.
GRI 2-19	Compensation policy	See 2024 Annual Report, chapter “Compensation Report” .
GRI 2-20	Process to determine remuneration	The process for determining remuneration (including the remuneration system) is laid down in the Compensation Report; see 2024 Annual Report, chapter “Compensation Report”. The results of stakeholder voting regarding the compensation policies and proposals are published in the minutes of the Annual General Meeting.
GRI 2-21	Annual total compensation ratio	The compensation for the BoD and EC is disclosed in the Compensation Report. See 2024 Annual Report, chapter “Compensation Report”.
Strategy, policies and practices (2021)		
GRI 2-22	Statement on sustainable development strategy	See “Interview with CEO Peter Spirig” .

Indicator	Description	Comment/reference
GRI 2-23	Policy commitments	V-ZUG undertakes to trade in a responsible, entrepreneurial manner. Its operational principles are formalised in its Code of Conduct (revised in March 2023) and serve as a basis for its Code of Conduct for Suppliers (published in March 2023). Our Code of Conduct calls on us to treat everyone with respect and tolerance. No discrimination whatsoever will be accepted. The amended version of the Code of Conduct contains a stronger commitment to human rights and sets out the principles of good corporate governance as part of V-ZUG's vision, mission and core values. V-ZUG does not tolerate any form of corruption or active or passive bribery. This principle is part of our Code of Conduct and is further specified in our anti-corruption regulations. The precautionary principle is enshrined in V-ZUG's ethical principles and management guidelines and is monitored by an integrated management system (quality, environment and occupational safety). Certifications in accordance with ISO 9001, ISO 14001 and ISO 45001 at the Zug site (incl. service centres and V-ZUG Studios in Switzerland) also contribute to the precautionary principle, in the shape of preventive measures within the company's operations. Published documents (accessible via website): • ISO 9001 certificate (Zug site) • ISO 14001 certificate (Zug site) • ISO 45001 certificate (Zug site) The Code of Conduct and the Code of Conduct for Suppliers contain a zero-tolerance stance towards forced labour and child labour.
GRI 2-23	Policy commitments	V-ZUG's key policies, codes of conduct and principles (see website) are: • Code of Conduct of the V-ZUG Group (see website, “Corporate Governance”), including guidelines for ethical business decisions • Code of Conduct for Suppliers (see website, “Corporate Governance”) • Anti-corruption regulations (see website, “Corporate Governance”) • Vision, mission and core values • Principles of collaboration • Terms of Employment (TOE) • Annex 1 to the TOE (ethical principles) • ISO 9001, 14001 and 45001 certificates (including annexes, accessible via website) • EU General Data Protection Regulation (GDPR) • Swiss Data Protection Act • Internal competency model The Code of Conduct is approved by the BoD. The Code of Conduct applies globally to all employees, including members of the BoD and other governance bodies of companies belonging to the V-ZUG Group. The Code of Conduct is available in five languages. New joiners are trained in the Code of Conduct, and all employees sign it as part of their employment contract. The Code of Conduct is available on the website for business partners and stakeholders to view. The Code of Conduct for Suppliers forms part of supplier agreements. When onboarding new suppliers, we initiate self-assessments beforehand and, where necessary, pre-audits, and we obtain financial information.

Indicator	Description	Comment/reference								
GRI 2-24	Embedding policy commitments	It is the job of V-ZUG management to ensure that all employees are familiar with the Code of Conduct, understand it and act accordingly. Regular training and e-learning courses take place for all employees, and compliance audits are carried out as required. Action plans are drawn up with suppliers in the event of non-compliance with the standards or further violations of the Code of Conduct for Suppliers. In the case of insufficient progress or repeated breaches of the Code of Conduct for Suppliers, the partnership is terminated. See also: GRI 2-23.								
GRI 2-25	Processes to remediate negative impacts	V-ZUG has an internal process for dealing with grievances, which are handled on a case-by-case basis. In the event of negative impacts, an internal team will draw up further measures (e.g. product safety, emergency and crisis management).								
GRI 2-26	Mechanisms for seeking advice and raising concerns	Employees who believe in good faith that certain behaviour violates V-ZUG's Code of Conduct have a duty to report such behaviour to their manager or the Legal department (compliance@vzug.com). Such reports are treated in confidence. Employees who report in good faith a potential violation of the Code of Conduct need have no fear that reporting their suspicions will have negative repercussions for their employment at the company. There is also an external reporting point for serious grievances (bullying and sexual harassment).								
GRI 2-27	Compliance with laws and regulations	V-ZUG complies with laws and regulations worldwide. There were no environmental violations/fines. Number of environmental violations/fines: <table><tr><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>0</td><td>0</td><td>0</td><td>0</td></tr></table>	2021	2022	2023	2024	0	0	0	0
2021	2022	2023	2024							
0	0	0	0							

Indicator	Description	Comment/reference
GRI 2-28	Membership in associations and interest groups	V-ZUG AG is a member of or is represented on the board of the following associations and interest groups: • aha! Swiss Allergy Centre (joint venture) • amk – “The Modern Kitchen” working group • economiesuisse • Electrosuisse – Association for electrical, energy and information technology • EEBUS – Empowering the digitalisation of Energy transition • ETH Foundation • Europa Forum / Lucerne Dialogue • FEA (the Swiss association for household and commercial appliances), board member • IG exact (Excellence in Applied Electronics and Technologies) • Zug+ Climate Charter Initiative • Küche (the Swiss kitchen association), board member • PWN Professional Women's Network • SWISSMEM, the Swiss association for mechanical and electrical engineering industries, board member • SENS e Recycling, Foundation for recycling electrical and electronic appliances, board of trustees • sia – Swiss Society of Engineers and Architects • Suissetec • swisscleantech • Switzerland Innovation Park Central • tfz – Technologie Forum Zug, board member • öbu – Swiss Business Council for Sustainable Development • Association for the Decarbonization of Industry • Zug Chamber of Commerce, board member • Zurich Chamber of Commerce

Indicator	Description	Comment/reference
Stakeholder engagement (2021)		
GRI 2-29	Approach to stakeholder engagement	Key stakeholder groups have been defined in dialogue with internal departments. To achieve broad-based support for the materiality process (last revised in 2024), 62 representatives of V-ZUG's central stakeholders were consulted in an online survey. These included the BoD, EC, employees, customers, partners, suppliers, banks, investors and representatives from politics and academia. The materiality matrix that resulted from the consultation forms an important basis for reporting. V-ZUG's stakeholders are engaged as follows: - Customers: customer surveys, customer contacts (around 300 service technicians in the field sales and customer service), customer magazine and guided tours at the Zug production site. In order to experience the wide variety of product functions, free appliance demonstrations are additionally offered by V-ZUG customer advisors. - Employees: employee survey, intranet and Yammer (internal social media platform); specialist internal communication unit and various central and local functions (including Human Resources, Legal and Compliance and management) - Investors/shareholders: General Meetings, Annual Report, investor roadshows - Suppliers: annual meetings, audits - Sales partners: annual product presentation and various symposiums, trade fairs and events. - Trade unions: within the context of the collective employment agreement (CEA) - Media: information provided by Corporate Communications & Investor Relations - Research and education: board activities (e.g. Minergie association, SENS), speaking engagements, participation in working groups with educational institutions and the award of project work for students
GRI 2-30	Collective bargaining agreements	All employees at the Zug site in Switzerland are subject to the collective employment agreement (CEA) of the Association of Swiss Engineering Employers (ASM). The current CEA for the Swiss MEM industries came into effect on 1 July 2023 and is valid until 30 June 2028. The employees' associations Angestellte Schweiz, Unia, Syna, Swiss Association of Commercial Employees, Schweizer Kader Organisation (SKO) and the employers' association ASM are involved as negotiation partners. It is important for V-ZUG that employees are able to represent their interests and participate in the company's development. According to the CEA, the employee representative body represents the interests of the workforce to HR and the EC and works to ensure the CEA provisions are adhered to. It also seeks to promote trusting collaboration between the EC and employees, helps to create attractive working conditions and acts as a contact and advisory point for differences of opinion. The members of the employee representative body are elected in predefined electoral groups by all employees. The Sulgen site (V-ZUG Kühltechnik) and the Changzhou site in China are not subject to a collective bargaining agreement. V-ZUG Kühltechnik is a separate legal entity, and employment contracts are subject to the individual employment contract and the Swiss Code of Obligations. Employment contracts in Changzhou are concluded in line with V-ZUG employment guidelines and in accordance with human rights conventions.

Specific details

Aspect	Indicator	Description	Comment/reference
Key issues	GRI 3 (2021)		
GRI 3-1		Process to determine material topics	In 2024, V-ZUG conducted a new materiality analysis and updated the matrix of material sustainability topics. Although the company is not yet subject to the reporting requirement of the EU Sustainability Reporting Directive (CSRD), the analysis was carried out using the double materiality method in accordance with the European Sustainability Reporting Standards (ESRS). In doing so, both the impact of V-ZUG on the environment, society and economy (impact materiality) and the risks and opportunities that have an impact on the company (financial materiality) were assessed. The internal Sustainability Workforce revised the list of material topics and reviewed it with feedback from stakeholders. A total of 15 material topics were identified. 168 specific impacts, risks and opportunities were identified and evaluated. These were assessed according to their extent and reach, with adverse impacts additionally assessed according to their irreversibility and potential impacts according to the probability of occurrence. A weighting highlighted the strategic importance of key elements. The results were validated by an online survey with 62 stakeholders and approved by the Executive Committee and the Board of Directors. See the chapter "Sustainability as part of the strategy" and overview "Annex: Impacts, risks and opportunities".
GRI 3-2		List of material topics	See chapter " Sustainability as part of the strategy ".
Products and services for a future-fit society			
Energy-efficient design and ecological use			
GRI 3-3		Management of material topics	See chapter " Products and services for a future-fit society ", " Environment and climate protection " and overview " Annex: Impacts, risks and opportunities ".
Durable and circular product design			
GRI 3-3		Management of material topics	See chapter " Products and services for a future-fit society ", " Environment and climate protection " and overview " Annex: Impacts, risks and opportunities ".

Aspect	Indicator	Description	Comment/reference																																													
GRI 301 Materials (2026)	GRI 301-1	Materials used by weight or volume	Materials used by type (in tonnes): <table><tr><th>Type of material</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Iron</td><td>7,426</td><td>8,031</td><td>5,651</td><td>6532</td></tr><tr><td>Stainless steel</td><td>1,755</td><td>1,711</td><td>1,378</td><td>1435</td></tr><tr><td>Aluminium</td><td>229</td><td>148</td><td>195</td><td>202</td></tr><tr><td>Non-ferrous metal</td><td>94</td><td>80</td><td>77</td><td>77</td></tr><tr><td>Oils, fats, lubricants</td><td>21</td><td>16</td><td>10</td><td>10</td></tr><tr><td>Hazardous substances</td><td>675</td><td>640</td><td>542</td><td>597</td></tr></table> Number of products recalled: <table><tr><th></th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Products recalled</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table> No products had to be recalled in the reporting year.	Type of material	2021	2022	2023	2024	Iron	7,426	8,031	5,651	6532	Stainless steel	1,755	1,711	1,378	1435	Aluminium	229	148	195	202	Non-ferrous metal	94	80	77	77	Oils, fats, lubricants	21	16	10	10	Hazardous substances	675	640	542	597		2021	2022	2023	2024	Products recalled	0	0	0	0
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	2021	2022	2023	2024																																												
Products recalled	0	0	0	0																																												
Innovation and customer benefit																																																
GRI 3-3		Management of material topics	See chapter “ Products and services for a future-fit society ”, “ Environment and climate protection ” and overview “ Annex: Impacts, risks and opportunities ”.																																													
Own metric		CHF as % of turnover for research and development, innovation (R&D)	See the chapter “ Segment report ”.																																													
Customer satisfaction																																																
GRI 3-3		Management of material topics	See chapter “ Products and services for a future-fit society ”, “ Environment and climate protection ” and overview “ Annex: Impacts, risks and opportunities ”.																																													

Aspect	Indicator	Description	Comment/reference
GRI 416 Customer health and safety (2016)	GRI 416-1	Assessment of the health and safety impacts of product and service categories	All operating instructions for V-ZUG's appliances contain information on safe use, proper disposal of packaging materials and of the appliance, as well as tips for saving energy (and water, in the case of washing machines). The appliances meet the IEC 60335-1 standard (Safety of electrical appliances for household use). Furthermore, V-ZUG's appliances satisfy the EU's RoHS and WEEE directives. For the WEEE directive, this means in particular that all V-ZUG appliances are labelled according to the standard and the operating instructions contain information about proper disposal. In addition, in the installation instructions for the appliances, which are aimed directly at installation professionals, V-ZUG describes what needs to be taken into account when installing the appliances for them to function as well as possible, with maximum energy efficiency.
	GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2024: No incidents.

Resilient and committed employees

Health and safety of employees

GRI 3-3	Management of material topics	See chapter “Resilient and committed employees” and overview “Annex: Impacts, risks and opportunities”. The health and safety at work policy forms part of the management process and supports the V-ZUG organisation and its strategy. Numerous processes and specification documents are held in the internal management system. Safety management conforms with legal requirements and meets the guidelines published by the Federal Commission for Occupational Safety and also the ISO 45001 standard (Zug site). V-ZUG actively seeks not only to meet the minimum legal requirements but also to get employees to participate actively by involving them in work processes and promptly implementing suggestions for improvements. Internal occupational safety experts and the in-house paramedic (at the Zug site) are available to advise employees in all matters regarding health, the prevention of occupational accidents, occupational illnesses and leisure-time accidents. Training and campaigns are intended to motivate managers and staff to incorporate occupational health and safety into their everyday activities. Published documents (accessible via website): • ISO 45100 certificate (Zug site) • Policy on health and safety at work (Zug site) Examples of relevant internal documents: • Emergency response strategy • Security inspection • Procedure for assessing risk
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Aspect	Indicator	Description	Comment/reference																																													
GRI 403 Occupational health and safety (2018)	GRI 403-9, 403-10	Work-related accidents, illnesses and lost days	In the case of accidents, V-ZUG makes a distinction between significant occupational accidents, minor occupational accidents and non-occupational accidents (leisure-time accidents). No such distinction is made for illnesses when recording statistics. Lost hours by cause: <table><tr><th>Cause</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Illness</td><td>109,410</td><td>138,088</td><td>104,813</td><td>105,068</td></tr><tr><td>Occupational accident</td><td>9,619</td><td>6,922</td><td>7,491</td><td>9,523</td></tr><tr><td>Non-occupational accident</td><td>13,837</td><td>13,388</td><td>13,590</td><td>15,575</td></tr><tr><td>Total</td><td>132,866</td><td>158,398</td><td>125,894</td><td>130,166</td></tr></table> Occupational accidents by LTIR: <table><tr><th></th><th>2021*</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>LTIR</td><td>14.6</td><td>12.7</td><td>10.1</td><td>11.4</td></tr></table> * The 2021 figures are based on accidents with at least one day of absence. From 2022 onwards, we calculate the LTIR based on three or more days of absence (according to the international standard and for comparability). As a result, the figures from 2021 are not comparable with the rest. Occupational fatalities in the reporting year: <table><tr><th></th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Deaths</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table> See "Targets, facts and figures" in the chapter "Resilient and committed employees". The figures for 2024 and 2023 refer to the V-ZUG Group, while those for 2022 and 2021 refer to our production sites.	Cause	2021	2022	2023	2024	Illness	109,410	138,088	104,813	105,068	Occupational accident	9,619	6,922	7,491	9,523	Non-occupational accident	13,837	13,388	13,590	15,575	Total	132,866	158,398	125,894	130,166		2021*	2022	2023	2024	LTIR	14.6	12.7	10.1	11.4		2021	2022	2023	2024	Deaths	0	0	0	0
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Aspect	Indicator	Description	Comment/reference																								
Development of potential and know-how management																											
GRI 3-3		Management of material topics	See chapter “Resilient and committed employees” and overview “Annex: Impacts, risks and opportunities” .																								
GRI 401 Employment (2016)	GRI 401-1	Total number and rate of newly hired employees and staff turnover	Number of newly hired employees: <table> <tr> <th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td>258</td><td>280</td><td>298</td><td>233</td></tr> </table> Rate of newly hired employees: <table> <tr> <th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td>14.7 %</td><td>15.1 %</td><td>14.1 %</td><td>11.3 %</td></tr> </table> Staff turnover: <table> <tr> <th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td>12.5 %</td><td>10.9 %</td><td>14.1 %</td><td>14.2 %</td></tr> </table> The figures for 2024 and 2023 refer to the V-ZUG Group, while those for 2022 and 2021 refer to the production sites.	2021	2022	2023	2024	258	280	298	233	2021	2022	2023	2024	14.7 %	15.1 %	14.1 %	11.3 %	2021	2022	2023	2024	12.5 %	10.9 %	14.1 %	14.2 %
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12.5 %	10.9 %	14.1 %	14.2 %																								
GRI 404 Training and education	GRI 404-2	Programmes for upgrading employee skills and transition assistance programmes	As a means of enhancing employability, professional development is in the interests, and is the responsibility, of both V-ZUG and its employees. With the three-tier competency model and “V-ZUGconnect”, V-ZUG specifically supports the promotion of individual talents and a culture of lifelong learning. Employees have the right, on request, to be released from their work for professional development within or outside the company, provided certain conditions are met. V-ZUG will pay all or part of the costs of the further training on request. For more information, see chapter “Resilient and committed employees”.																								
Diverse and inclusive working culture																											
GRI 3-3		Management of material topics	See chapter “Resilient and committed employees” and overview “Annex: Impacts, risks and opportunities”. V-ZUG regularly conducts an equal pay analysis with the help of external experts. Examples of relevant internal documents: Working time regulations																								

Aspect	Indicator	Description	Comment/reference																																																																											
GRI 405 Diversity and equal opportunities (2016)	GRI 405-1	Percentage of people in governance bodies and among employees, by gender and age group	Employees by gender and hierarchical level: (incl. BoD) <table><tr><th>Gender</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Women on the Board of Directors</td><td>3</td><td>3</td><td>3</td><td>3</td></tr><tr><td>Men on the Board of Directors</td><td>3</td><td>3</td><td>3</td><td>3</td></tr><tr><td>Women on the Executive Committee</td><td>2</td><td>2</td><td>2</td><td>2</td></tr><tr><td>Men on the Executive Committee</td><td>6</td><td>6</td><td>4</td><td>6</td></tr><tr><td>Female managers</td><td>107</td><td>111¹⁾</td><td>110¹⁾</td><td>109*</td></tr><tr><td>Male managers</td><td>408</td><td>432¹⁾</td><td>437¹⁾</td><td>427*</td></tr><tr><td>Female employees</td><td>273</td><td>290</td><td>385</td><td>385</td></tr><tr><td>Male employees</td><td>965</td><td>1006</td><td>1164</td><td>1129</td></tr><tr><td>Total women</td><td>385</td><td>406</td><td>500</td><td>499</td></tr><tr><td>Total men</td><td>1,382</td><td>1,447</td><td>1,608</td><td>1565</td></tr></table> ¹⁾ 2022: changes to management categorisation/employees by age (excl. Board of Directors). Employees by age (excl. Board of Directors): <table><tr><th>Age group</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Under 30</td><td>308</td><td>334</td><td>354</td><td>334</td></tr><tr><td>30–50</td><td>907</td><td>953</td><td>1091</td><td>1037</td></tr><tr><td>Over 50</td><td>546</td><td>560</td><td>657</td><td>657</td></tr></table> See chapter “Healthy and committed employees” and chapter “Corporate Governance” for detailed information on members of the BoD and EC (including ages). The figures for 2024 and 2023 refer to the V-ZUG Group, while those for 2022 and 2021 refer to the three production sites.	Gender	2021	2022	2023	2024	Women on the Board of Directors	3	3	3	3	Men on the Board of Directors	3	3	3	3	Women on the Executive Committee	2	2	2	2	Men on the Executive Committee	6	6	4	6	Female managers	107	111 ¹⁾	110 ¹⁾	109*	Male managers	408	432 ¹⁾	437 ¹⁾	427*	Female employees	273	290	385	385	Male employees	965	1006	1164	1129	Total women	385	406	500	499	Total men	1,382	1,447	1,608	1565	Age group	2021	2022	2023	2024	Under 30	308	334	354	334	30–50	907	953	1091	1037	Over 50	546	560	657	657
Gender	2021	2022	2023	2024																																																																										
Women on the Board of Directors	3	3	3	3																																																																										
Men on the Board of Directors	3	3	3	3																																																																										
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Aspect	Indicator	Description	Comment/reference																														
Environment and climate protection																																	
Resource-efficient operations																																	
GRI 3-3		Management of material topics	See chapter “Products and services for a future-fit society”, “Environment and climate protection” and overview “Annex: Impacts, risks and opportunities”. Published documents (accessible via website): • ISO 14001 certificate (Zug site) • Environmental policy (Zug site) Examples of relevant internal documents: • Hazardous substances storage • Dealing with hazardous substances																														
GRI 302 Energy (2016)	GRI 302-1	Energy consumption within the organisation	Absolute energy consumption in terajoules: <table><tr><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>114.6</td><td>108.7</td><td>107.7</td><td>119.4</td></tr></table>	2021	2022	2023	2024	114.6	108.7	107.7	119.4																						
2021	2022	2023	2024																														
114.6	108.7	107.7	119.4																														
			See “Targets, facts and figures” in chapter “Environment and climate protection”.																														
	GRI 302-2	Energy intensity	See “Targets, facts and figures” in chapter “Environment and climate protection”.																														
GRI 303 Water and effluents (2018)	GRI 303-3	Water withdrawal	Water withdrawal by site in megalitres: <table><tr><th></th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Zug</td><td>29.3</td><td>29.3</td><td>31.7</td><td>31.8</td></tr><tr><td>Arbon</td><td>19.5</td><td>2.3</td><td>–</td><td>–</td></tr><tr><td>Sulgen</td><td>0.4</td><td>1.2</td><td>1.2</td><td>1.3</td></tr><tr><td>Changzhou</td><td>0.4</td><td>0.4</td><td>0.3</td><td>0.5</td></tr><tr><td>Total</td><td>49.6</td><td>33.2</td><td>33.2</td><td>33.6</td></tr></table>		2021	2022	2023	2024	Zug	29.3	29.3	31.7	31.8	Arbon	19.5	2.3	–	–	Sulgen	0.4	1.2	1.2	1.3	Changzhou	0.4	0.4	0.3	0.5	Total	49.6	33.2	33.2	33.6
	2021	2022	2023	2024																													
Zug	29.3	29.3	31.7	31.8																													
Arbon	19.5	2.3	–	–																													
Sulgen	0.4	1.2	1.2	1.3																													
Changzhou	0.4	0.4	0.3	0.5																													
Total	49.6	33.2	33.2	33.6																													
			The water withdrawn is equivalent to the water fed back.																														

Aspect	Indicator	Description	Comment/reference																																			
Logistics and mobility																																						
GRI 3-3		Management of material topics	See chapter “Environment and climate protection” and overview of “Annex: Impacts, risks and opportunities”. The CO₂ assessments in Scope 1 and 2 and the statement regarding carbon neutrality at production sites were externally validated by Swiss Climate (see Assurance Statement: Carbon Footprint and Compensation Measures).																																			
GRI 305 Emissions (2016)	GRI 305-1	Direct GHG emissions (Scope 1)	For Scope 1, the following emissions were taken into account: direct emissions of greenhouse gases are considered from sources that are owned or controlled by V-ZUG (production sites in Zug, Sulgen and Changzhou). Emissions in tonnes of CO₂ equivalent (Scope 1): <table><tr><th></th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Petrol</td><td>2</td><td>2</td><td>0</td><td>0</td></tr><tr><td>Diesel</td><td>1,770</td><td>1,711</td><td>1,706</td><td>1,545</td></tr><tr><td>Heating oil</td><td>560</td><td>29</td><td>71</td><td>8</td></tr><tr><td>Natural gas</td><td>1,763</td><td>1,668</td><td>556</td><td>1,321</td></tr><tr><td>Propane</td><td>0</td><td>53</td><td>1,265</td><td>387</td></tr><tr><td>Total Scope 1</td><td>4,096</td><td>3,464</td><td>3,598</td><td>3,261</td></tr></table> See “Targets, facts and figures” and the explanation of the scopes for CO₂ neutrality in the chapter “Environment and climate protection”.		2021	2022	2023	2024	Petrol	2	2	0	0	Diesel	1,770	1,711	1,706	1,545	Heating oil	560	29	71	8	Natural gas	1,763	1,668	556	1,321	Propane	0	53	1,265	387	Total Scope 1	4,096	3,464	3,598	3,261
	2021	2022	2023	2024																																		
Petrol	2	2	0	0																																		
Diesel	1,770	1,711	1,706	1,545																																		
Heating oil	560	29	71	8																																		
Natural gas	1,763	1,668	556	1,321																																		
Propane	0	53	1,265	387																																		
Total Scope 1	4,096	3,464	3,598	3,261																																		

Aspect	Indicator	Description	Comment/reference																
	GRI 305-2	Indirect energy-related GHG emissions (Scope 2)	For Scope 2, the following emissions were taken into account: - Indirect greenhouse gas emissions from the production of purchased electricity and district heating (production sites in Zug, Sulgen and Changzhou). - The district heat produced by the Multi Energy Hub at the Zug site generates essentially no emissions, other than from the peak gas that is occasionally used. - Low-emission Swiss hydroelectric power is used at Zug and Sulgen. Emissions in tonnes of CO₂ equivalent (Scope 2, market-based): <table> <tr> <th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td>244</td><td>225</td><td>145</td><td>280</td></tr> </table> Emissions in tonnes of CO₂ equivalent (Scope 2, location-based): <table> <tr> <th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td>1,754</td><td>1,837</td><td>1,585</td><td>1,873</td></tr> </table> See "Targets, facts and figures", and the explanation of the Scopes for CO₂ neutrality in the chapter "Environment and climate protection". Supplementary note: For the Zug production site and, since 2022, at the Sulgen production site, 100% hydropower has for many years been purchased (Swiss-sourced) in order to support the expansion of renewable energy. The CO₂ emissions are declared accordingly in line with the certificate of origin (market-based, as per the reporting regulations of the Greenhouse Gas Protocol). For reasons of comparability, the emissions of the power used (location-based) are also shown. This comparison is helpful in discussions regarding the known discrepancy between the power that is purchased and that which is actually used. The electricity consumption of electric vehicles is now also included in the calculation.	2021	2022	2023	2024	244	225	145	280	2021	2022	2023	2024	1,754	1,837	1,585	1,873
2021	2022	2023	2024																
244	225	145	280																
2021	2022	2023	2024																
1,754	1,837	1,585	1,873																

Aspect	Indicator	Description	Comment/reference				
	GRI 305-3	Other indirect GHG emissions (Scope 3)	Screening emissions in tonnes of CO ₂ (Scope 3):				
				2021	2022	2023	2024
			Purchased goods and services (1)	96,845 (22.4 %)	82,234 (19.7 %)	66,987 (19.8 %)	68,740 (22.2 %)
			Capital goods (2)	15,895 (3.7 %)	12,700 (3.0 %)	9,869 (2.9 %)	14,202 (4.2 %)
			Fuel and energy-related emissions (not included in Scope 1 or 2) (3)	1,593 (0.4 %)	1,050 (0.3 %)	950 (0.3 %)	1,163 (0.3 %)
			Upstream transportation and distribution (4)	4,148 (1.0 %)	4,434 (1.1 %)	3,427 (1.0 %)	2,176 (0.6 %)
			Waste (5)	1,048 (0.2 %)	812 (0.2 %)	975 (0.3 %)	1,064 (0.3 %)
			Business travel (6)	871 (0.2 %)	899 (0.2 %)	1,060 (0.3 %)	1,083 (0.3 %)
			Employee commuting (7)	1,273 (0.3 %)	1,375 (0.3 %)	1,289 (0.4 %)	1,264 (0.4 %)
			Upstream leased assets (8)	1,186 (0.3 %)	1,623 (0.4 %)	1,699 (0.5 %)	1,664 (0.5 %)
			Use of sold products (11)	300,833 (69.6 %)	304,048 (72.8 %)	244,824 (72.4 %)	238,229 (70.1 %)
			End-of-life treatment of sold products (12)	8,276 (1.9 %)	8,351 (2.0 %)	6,907 (2.0 %)	9,356 (2.8 %)
			Downstream leased assets (13)	87 (0.0 %)	91 (0.0 %)	91 (0.0 %)	1,038 (0.31 %)
			Total Scope 3 (screening)	432,057	417,617	338,078	339,979
			Change from previous year	-6.1 %	-3.3 %	-19.0 %	0.6 %
			Change from the baseline 2020, cumulative	-6.1 %	-9.2 %	-26.5 %	-26.1 %
			Scope 3 refers to the entire V-ZUG Group.				
			The categories "Downstream transportation and distribution" (9), "Processing of sold products" (10), "Franchises" (14) and "Investments" (15) were not recorded because they are of minimal relevance in our context.				

Aspect	Indicator	Description	Comment/reference
Operational waste management			
GRI 3-3		Management of material topics	See chapter “Products and services for a future-fit society” , “Environment and climate protection” and overview “Annex: Impacts, risks and opportunities” .
GRI 306 Waste (2020)	GRI 306-1	Waste generation and significant waste-related impacts	See chapter “Products and services for a future-fit society”, “Environment and climate protection” and overview “Annex: Impacts, risks and opportunities”. Published documents (accessible via website): - Environmental policy (Zug site) Examples of relevant internal documents: - Hazardous goods checklist
	GRI 306-2	Management of significant waste-related impacts	See chapter “Products and services for a future-fit society” , “Environment and climate protection” .

Aspect

Indicator

Description

Comment/reference

GRI 306-3

Waste generated

Waste by type (in tonnes):

Type of waste	2021	2022	2023	2024
Waste wood	688.4	738	396.7	128.2
Bulky industrial/commercial items	236.7	230	284.1	224.8
Plastics	45.3	166	183.1	202.8
Scrap metal	1,866.6	1,892	1,689.1	1,874.1
Paper/cardboard	528.9	668	648.1	615.7
Oils, fats, lubricants	14.0	3.6	2.4	3.2
Special waste	28.0	19.6	23.1	55.9
Returned household appliances ¹⁾	1,304.8	923.9	1,167.6	1,053.9
Other (old tyres, electrical waste, green waste)	26.2	24.3	24.7	192.5

¹⁾ This figure corresponds to the number of household appliances that customers returned to V-ZUG via its own service organisation. In the Swiss market (in 2024, approx. 85 % of V-ZUG appliances sold were sold in the Swiss market) virtually 100 % of the household appliances in circulation are returned for professional disposal (the collection rate is almost 100 %). Details regarding the collection rate and the recycling rate are published each year in the annual report of the SENS Foundation (tasked by manufacturers to organise the return and professional recycling of electrical appliances). V-ZUG plays an active role in the SENS Foundation, and CEO Peter Spirig sits on the Foundation's Board of Trustees.

Waste by disposal type:

Type of disposal	2021	2022	2023	2024
Recycled	79.6%	78.6%	81.7%	88.1%
Composted	0.3%	0.2%	0.3%	0.2%
Incinerated	19.5%	20.7%	18.0%	10.5%
Special case	0.6%	0.5%	0.6%	1.3%
Landfill	0%	0%	0%	0%

Scrap metal and returned household appliances are recycled and waste wood is incinerated. Hazardous waste (oils, fats, lubricants and other special waste) makes up a small proportion of the waste generated and is disposed of or recycled separately.

Aspect	Indicator	Description	Comment/reference																				
	GRI 306-4	Waste diverted from disposal	Waste by disposal type in tonnes: <table><tr><th>Type of disposal</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Recycled</td><td>3,770.3</td><td>3,666.8</td><td>3,717.0</td><td>3,933.0</td></tr><tr><td>Composted</td><td>15.1</td><td>11.0</td><td>10.3</td><td>9.1</td></tr></table> Main recycling partner for returned appliances: Thommen Recycling, ISO 14001-certified. V-ZUG does not export any waste.	Type of disposal	2021	2022	2023	2024	Recycled	3,770.3	3,666.8	3,717.0	3,933.0	Composted	15.1	11.0	10.3	9.1					
Type of disposal	2021	2022	2023	2024																			
Recycled	3,770.3	3,666.8	3,717.0	3,933.0																			
Composted	15.1	11.0	10.3	9.1																			
	GRI 306-5	Waste directed to disposal	Waste by disposal type in tonnes: <table><tr><th>Type of disposal</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Incinerated</td><td>925.2</td><td>968</td><td>680.8</td><td>467.4</td></tr><tr><td>Special waste</td><td>28.0</td><td>19.6</td><td>23.1</td><td>55.9</td></tr><tr><td>Landfill</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table>	Type of disposal	2021	2022	2023	2024	Incinerated	925.2	968	680.8	467.4	Special waste	28.0	19.6	23.1	55.9	Landfill	0	0	0	0
Type of disposal	2021	2022	2023	2024																			
Incinerated	925.2	968	680.8	467.4																			
Special waste	28.0	19.6	23.1	55.9																			
Landfill	0	0	0	0																			
Biodiversity and ecosystems																							
GRI 3-3		Management of material topics	See chapter “ Products and services for a future-fit society ”, “ Environment and climate protection ” and overview “ Annex: Impacts, risks and opportunities ”.																				
Entrepreneurship for sustainable prosperity																							
Responsible and resilient supply chain																							
GRI 3-3		Management of material topics	See chapter “Entrepreneurship for sustainable prosperity” and overview “Annex: Impacts, risks and opportunities”. Published documents (accessible via website): - Environmental policy (Zug site) - Code of Conduct for Suppliers Examples of relevant internal documents: - V-ZUG Group Code of Conduct - Supplier audit questionnaire - Supplier contract																				
GRI 204 Procurement practices (2016)	GRI 204-1	Proportion of spending on local suppliers	Around 60 % of V-ZUG’s suppliers are based in Switzerland, and another 30 % or so are located in nearby European countries. V-ZUG obtains most of the electronics components from highly specialised markets in Asia.																				

Aspect	Indicator	Description	Comment/reference								
GRI 308 Supplier environ- mental assessment (2016)	GRI 308-2a	Number of suppliers assessed for environmental impact	See “Targets, facts and figures” in chapter “Entrepreneurship for sustainable prosperity”.								
GRI 414 Supplier social assessment (2016)	GRI 414-2a	Number of suppliers assessed for social impact	See “Targets, facts and figures” in chapter “Entrepreneurship for sustainable prosperity”.								
Long-term corporate success as added value for society											
GRI 3-3		Management of material topics	See chapter “Entrepreneurship for sustainable prosperity” and overview “Annex: Impacts, risks and opportunities” .								
GRI 201 Economic performance (2016)	GRI 201-1	Direct economic value generated and distributed	See “Financial Report” , 2024 Annual Report.								
GRI 203 Indirect economic impacts (2016)	GRI 203-1	Infrastructure investments and services supported	V-ZUG invests via various projects and partnerships in its production sites and a sustainable, integrated infrastructure, particularly at its main site in Zug (see Tech Cluster Zug) and with the new building for V-ZUG Kühltechnik AG in Sulgen. See chapters “Environment and climate protection” , “Entrepreneurship for sustainable prosperity” and the “Real Estate” segment report , 2024 Annual Report.								
Business ethics and compliance											
GRI 3-3		Management of material topics	See chapter “Entrepreneurship for sustainable prosperity” and overview “Annex: Impacts, risks and opportunities” . For embedding policy commitments, see “GRI 2-23” and “GRI 2-24”.								
GRI 415 Political influence (2016)	GRI 415-1	Political donations	V-ZUG does not make any politically motivated payments or donations such as lobbying to local, regional or national political campaigns, trade associations or tax-exempt groups. Payments or donations in CHF: <table> <tr> <th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td>0</td><td>0</td><td>0</td><td>0</td></tr> </table>	2021	2022	2023	2024	0	0	0	0
2021	2022	2023	2024								
0	0	0	0								

Aspect	Indicator	Description	Comment/reference
GRI 417 Marketing and labelling (2016)	GRI 417-1	Requirements for product and service information and labelling	V-ZUG adheres to laws and regulations regarding product and service information and labelling requirements worldwide
	GRI 417-2	Violations in connection with product and service information and labelling	No violations in the reporting year.
	GRI 417-3	Violations in connection with marketing and communication	No violations in the reporting year.
GRI 419 Socio-economic compliance (2016)	GRI 419-1	Non-compliance with laws and regulations in the social and economic area	V-ZUG complies with laws and regulations worldwide.
IT security and data protection			
GRI 3-3		Management of material topics	See chapter “Entrepreneurship for sustainable prosperity” and overview “Annex: Impacts, risks and opportunities” .
GRI 418 Protection of customer data (2016)	GRI 418-1	Justified complaints regarding breaches of customer data protection and loss of customer data	V-ZUG has not received any justified complaints regarding breaches of customer data protection or the loss of customer data.

Climate Report (TCFD)

Introduction

V-ZUG has been reporting in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) since the 2023 financial year. Focusing on the areas of governance, strategy, risk management, metrics and targets, we highlight the potential impact that the climate-related risks and opportunities identified by V-ZUG could have in a business context and outline how we approach this issue as an organisation.

We see sustainability as a holistic concept that encompasses our entire value chain on an ecological, social and entrepreneurial level. Responsible business is not just a passing fad for us; it is something that shapes our decision-making and the work we do on a daily basis. Since 2012, V-ZUG has published a Sustainability Report in accordance with the GRI Standards, including climate matters. This TCFD Report takes a more in-depth look at these environmental aspects.

Governance

Sustainability is one of the four cornerstones of V-ZUG's corporate strategy. The corresponding sustainability strategy addresses topics in greater depth and shines a light on future-fit, sustainable corporate governance. Giving due consideration to the potential effects of climate change on our company's durability, resilience and business activities is a key part of this reporting process.

Our Board of Directors reviews and approves our corporate strategy. The Executive Committee develops and proposes the corporate strategy and oversees its implementation once it has been approved. The Board of Directors is also responsible for approving V-ZUG's medium- and long-term sustainability targets (focus topics for 2030) and the corresponding roadmap. It reviews these on a regular basis. Our "Environment and climate protection" focus topic outlines our Scope 1, 2 and 3 reduction targets for CO₂ emissions through to 2030 (baseline year 2020). It also describes our management approach and the measures we have taken, and

discloses the relevant key figures. Three times each year, our focus topics and the current status of our activities are discussed with the responsible members of the Executive Committee.

The Board of Directors receives a detailed update on the topic once a year as part of our sustainability and risk reporting processes, ensuring all members have a clear picture of where we stand and the progress we have made in terms of climate-related issues. This also enables us to review the progress of our sustainability targets, including climate targets.

Our Sustainability Report is drawn up by an interdisciplinary working group, led by the Head of Sustainability at V-ZUG. The CO₂ assessments in Scope 1 and 2, including offsetting measures, are also audited by an external body and confirmed in an assurance statement.

Our risk report is drawn up by the Executive Committee and reviewed and approved by the Board of Directors. The TCFD Report provides an in-depth analysis of climate change as a macro risk and is published in the Sustainability Report.

The Sustainability Report has been integrated into the Annual Report since the 2023 financial year. This not only strengthens the involvement of the entire Board, but also demonstrates the equal importance of financial and non-financial key figures. The Audit Committee of the Board of Directors reviews the Annual Report, with final approval given by the Board of Directors.

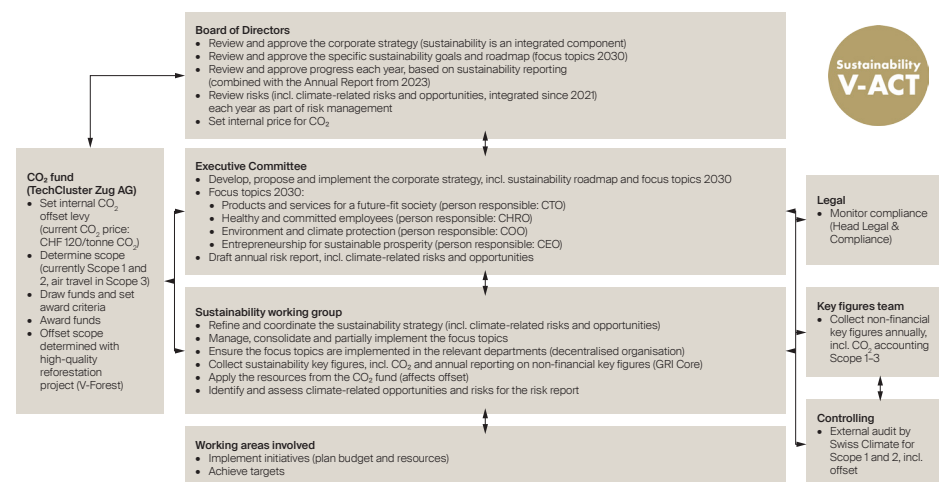
The Board of Directors is also informed about sustainability issues and any relevant decisions in the course of its ordinary meetings, which are held at least four times a year. The Executive Committee is also updated on specific points in its monthly meetings.

V-ZUG takes an interdisciplinary approach to sustainability management, with the topic implemented in various areas throughout the company, depending on the particular issues and opportunities. V-ZUG's decentralised Sustainability Workforce comprises representatives from a range of departments. Set up in 2020, the team implements our focus topics systematically in all corporate areas. The working group is led by the Head of Sustainability, who reports directly to the CEO. The Sustainability Workforce meets once a month to work on and steer our four

focus topics, coordinate our sustainability strategy (including climate-related risks and opportunities) and identify areas for further development. The collection of key sustainability figures (including CO₂) and annual reporting on non-financial key figures (in accordance with the GRI Standards) are important tools for handling and reviewing sustainability topics. The materiality matrix is updated every three to four years (most recently in 2024).

As part of TCFD reporting activities, the risk-analysis process used to compile the annual risk report has been expanded to include more detailed climate-related risks and opportunities. The Sustainability Workforce undertakes this more in-depth, multifaceted risk evaluation in conjunction with experts from our Finance, Legal and Procurement departments, allowing us to assess the expected impact of different measures.

Governance – overview



Corporate governance overview in relation to sustainability, V-ZUG, source: vzug.com

Climate protection strategy

V-ZUG has identified potential climate-related risks and opportunities that could have an impact on the Group's operations, strategy and financial planning measures. In accordance with the recommendations of the TCFD, a distinction is made between physical risks, which may be acute or chronic, transition risks and climate-related opportunities.

Physical risks categorised as relevant by V-ZUG include extreme weather conditions, rising sea levels, floods and heat waves, and their potential consequences in terms of supply chains and employee productivity.

V-ZUG considers the following topics to be **relevant climate-related transition risks**: a lack of communication or exaggerated communication regarding climate protection (danger of green-washing), the failure to meet sustainability targets or implement climate-protection measures, the introduction/extension of a carbon tax for companies or ecodesign regulations and, finally, a change in consumer behaviour.

However, V-ZUG has also identified **certain opportunities associated with climate change**, including increased construction activity due to climate-related displacement, growing demand for sustainable household appliances, changes in consumer preferences with regard to greater sustainability and opportunities for new business models ("Share Economy", "Product as a Service", etc.). Further opportunities include the ability to build more resilient supply chains, increased attractiveness for employees due to changes in sustainability awareness, and differentiation from competitors in terms of sustainability (position as pioneer).

Climate-related physical risks:

1. Extreme weather conditions (droughts, heavy rain and floods) and chronic changes to weather patterns (higher global temperatures and rising sea levels) have a negative impact on our supply chain.
2. Extreme weather conditions (severe heat and/or other weather events) could have a negative impact on employees' health and productivity levels.

Climate-related transition risks:

3. V-ZUG is perceived as a brand that does not take responsibility for climate protection and shows no accountability.
4. In terms of communication, our approach to climate protection is exaggerated and perceived as greenwashing.
5. We have defined ambitious climate targets and measures, but are unable to implement these as planned and fall short of our targets. This could be due to unexpectedly high costs or the fact that the measures themselves are not technically feasible.
6. More stringent regulations are issued regarding ecodesign (energy efficiency, the circular economy, material impact, etc.).
7. A CO₂ levy is introduced/extended for companies (already in place in Switzerland for heating oil and gas), which results in increasing costs (e.g. energy and materials).
8. Increased climate awareness and higher consumption costs lead to a change in consumer behaviour.

“Environmental and climate protection” focus topic – CO₂ emissions under the spotlight – management approach

V-ZUG is aware of its own responsibilities when it comes to climate-related issues and distinguishes between inside-out effects (i.e. the influence V-ZUG has on climate change) and outside-in effects (i.e. the influence of climate change on V-ZUG).

Principle: prevent, reduce and offset – important tool:

internal CO₂ levy

To minimise the effect our business activities have on the environment (inside-out), we adhere to the principle of “preventing, reducing and offsetting CO₂ emissions” (in order of priority). However, rather than simply targeting prevention or reduction at any cost, the goal must be to achieve progress in these areas in a way that makes good business and economic sense. V-ZUG therefore introduced an internal, voluntary CO₂ levy in 2018 in collaboration with Metall Zug AG (its former parent company prior to its public listing in the 2020 financial year). An annual offset levy of CHF 120 per tonne of CO₂ is applied to the remaining Scope 1 and 2 emissions and Scope 3 emissions from air travel and paid into our CO₂ fund. Money from the fund can then be put towards projects that are beneficial on an environmental level but are not yet economically attractive. The amount of the levy is determined by the Board of Directors together with Metall Zug AG and is used by the Sustainability Workforce to guide the actions taken in our various departments.

Investment in the V-Forest reforestation project in collaboration with the Ripa Gar Foundation

V-ZUG has not yet been able to completely prevent CO₂ emissions along the entire value chain. The aim is to reduce direct emissions largely through own efforts; as such, targets have been set to be achieved by 2030 – and the measures needed to reach these targets have been identified and planned. V-ZUG has also been investing in a high-level climate protection project since 2020 to offset the remaining emissions (Scope 1 and 2 and air travel in Scope 3). This means that V-ZUG has achieved and maintained CO₂-neutral production (including offsetting) for all Swiss-made appliances since 2020. The money required to offset our emissions is also taken from the CO₂ fund. For this project, we are working with the Ripa Gar Foundation to support a reforestation project in Scotland. This enables us to obtain high-quality carbon removal certificates to compensate for our remaining emissions. Working with a non-profit foundation with a long-term horizon is important to us, as it enables us to make a credible contribution to protecting the environment by investing in reforestation.

The “V-Forest” is located in Glen Lochay in the Scottish county of Perthshire. Working in accordance with the UK Woodland Carbon Code (WCC), the Ripa Gar Foundation has already planted 800,000 trees in an area equivalent to around 700 football pitches. The WCC is a government-backed standard in the UK for reforestation projects and offers independent verification and validation of the amount of CO₂ sequestered through a sustainable forestry project. Our contributions are helping to grow a native mixed woodland (42 % birch, 21 % pine, 16 % oak and other local species). Over the next 100 years, the areas already reforested will capture and store around 210,000 tonnes of CO₂. The project is protected against forest fires, diseases and other risks. A total of 30 % of the certificates available for all WCC projects are held in a buffer and made available to everyone as a form of insurance should a risk materialise.

As well as sequestering CO₂, the project has other positive side effects, such as increasing biodiversity, improving local water quality, restoring the moor landscape and helping to reduce the risk of flooding. This allows native flora and fauna to flourish, and nature to find its balance.

It would be difficult to realise a comparable project of this size in Switzerland. However, in addition to the space requirements, there were other reasons for choosing Scotland as a location, including its favourable climatic conditions (even with rising temperatures), good local institutions and the required expertise. It will take a little while before the CO₂ certificates from the “V-Forest” can be used directly to offset our emissions. The trees need to grow before they can capture and store the required amounts of CO₂. Until then, the Ripa Gar Foundation is

supporting another reforestation project in India that captures an equivalent amount of CO₂ for each tonne of CO₂ generated. The project is certified according to the UN Framework Convention on Climate Change and is listed on the UN Carbon Offset Platform. The required amounts of CO₂ have already been captured. Our participation in this endeavour effectively offsets double the amount of our own emissions and means that V-ZUG has achieved and maintained CO₂-neutral production for all Swiss-made appliances since 2020.

Our approach to Scope 1 and 2 emissions

Our target for 2030 is to reduce the direct emissions generated at our production sites in Zug, Sulgen and Changzhou and those emitted by our vehicle fleets, including service vehicles and trucks (Scope 1), by 80 % compared to the baseline year of 2020. The same applies to indirect emissions from the generation of purchased electricity (market-based) and district heating (Scope 2). Our long-term ambition is to achieve a reduction of 100 %. This current near-term target (since 2020) was submitted to the Science Based Target initiative (SBTi) in the reporting year 2024 and will therefore be validated within the next two years (depending on the SBTi). Current status: "Committed".

With this bottom-up goal, V-ZUG thus intends to achieve a significantly greater reduction in CO₂ emissions than the recommendations of the SBTi: To limit the rise in global temperatures to 1.5°C, as stipulated in the Paris Agreement, an annual reduction in Scope 1 and 2 emissions of 4.2 percentage points is required over a period of five to ten years (42 % in total compared to the baseline year).

The most relevant measures we have adopted to reduce our Scope 1 and 2 emissions are as follows:

- V-ZUG Kühltechnik AG's new **production site in Sulgen**, which entered operation in 2022, boasts sustainable infrastructure (a groundwater heat pump which powers the heating system, energy-efficient building design and a photovoltaic system on the roof). This also means we no longer need the oil heating system at the old site in Arbon.
- With our **Multi Energy Hub** progressively supplying the V-ZUG site at our headquarters in Zug with renewable energy (photovoltaic systems, waste heat from production, groundwater and lake water), we will be able to eliminate the consumption of natural gas for heating at the site almost entirely in the coming years (from 2023 to 2027).

- The **site transformation at our headquarters in Zug** (which began in 2014 and will be largely completed by 2027) will see almost all the old production and administration buildings replaced with new, energy-efficient constructions. Several new, more energy-efficient production facilities will also be put into operation. This is expected to result in significant savings in terms of our electricity consumption.
- We are gradually reducing the CO₂ emissions of the **V-ZUG vehicle fleet** by switching from diesel vehicles to electric models. Our first batch of electric service vehicles (around 300 in total) went into operation in 2023, and 2024 saw the introduction of our first electric trucks (15 vehicles in total). The conversion of the truck fleet is being partially financed by our CO₂ fund.
- To support the **decarbonisation of industrial processes**, V-ZUG plans to use hydrogen in place of natural gas for certain processes in the future (e.g. to achieve the 850 °C necessary for the high-temperature enamelling process). V-ZUG is a founding member of the Association for the Decarbonization of Industry, which aims to create sustainable hydrogen using a new process (methane pyrolysis). The pilot plant is set to begin operations in 2024, with the ultimate goal being full-scale industrial production. Depending on the purity of the hydrogen produced, it may also be possible to use it to decarbonise V-ZUG's truck fleet further down the line. This project is being financed in part by the internal CO₂ fund.
- **Procuring renewable electricity:** For many years, 100 % hydropower has been purchased for the Zug production site (Swiss-sourced since 2022) to support the expansion of renewable energy. This approach has also been taken at the new production site in Sulgen since 2022. The CO₂ emissions are declared accordingly in line with the certificate of origin (market-based, as per the reporting regulations of the Greenhouse Gas Protocol). For reasons of comparability, the emissions of the power used (location-based) are also shown. This comparison is helpful in discussions regarding the known discrepancy between the power that is purchased and that which is actually used.

Thanks to the range of reduction measures we have implemented and the "V-Forest" project, which enables us to offset CO₂ emissions, production at V-ZUG has been CO₂ neutral since 2020.

Our approach to Scope 3 emissions

In the 2020 financial year, V-ZUG carried out a holistic screening of its Scope 3 emissions for the first time. The Greenhouse Gas Protocol divides Scope 3 emissions into 15 categories, 11 of which were deemed relevant. Categories 9, 10, 11 and 14 were classified as not relevant. Our

indirect Scope 3 emissions levels are several times higher than our levels in Scope 1 and 2. Of the 11 relevant categories, two make up over 90 % of our Scope 3 emissions: category 1, Purchased goods and services (2020: 19.7 %), and category 11, Use of sold products (73 %). However, this does not mean that the other categories are less important, and we are actively targeting certain improvements in these other categories as well.

Based on this insight, V-ZUG developed a reduction schedule for Scope 3 emissions in 2022, with a focus on the two categories of 1 and 11. Our ambition is to reduce Scope 3 emissions by 30 % by 2030 compared to the baseline year of 2020. We use the term “ambition” quite deliberately where Scope 3 is concerned, since it relates to indirect emissions, and this is an area where V-ZUG often has only limited influence on the associated implementation (see measures below).

In SBTi terms, this ambition lies between a “1.5°C” target (requirement: –42 %) and a “well below 2°C” target (requirement: –25 %).

The most relevant measures we have adopted to **reduce our Scope 3 emissions** are:

- **Increasing energy efficiency** across all product categories. (Specific objective: increase fleet efficiency by 5 % by 2030 compared to the baseline year of 2020)
- Encouraging customers to use our appliances **in a more environmentally friendly manner** with corresponding features and handy tips
- Applying **circular economy principles** in product development (design-to-circularity principles)
- **Reducing our environmental footprint** by 5 % for new product development projects (measured using life cycle assessments [LCAs], in ecopoints [EPs])
- **Working together with suppliers** to apply circular economy principles and select low-carbon materials (e.g. recycled materials, low-carbon steel, material reduction)
- **Requiring suppliers** to reduce their own emissions. Part of V-ZUG’s Scope 3 emissions includes the Scope 1 and 2 footprint of its suppliers and subcontractors.
- **Market developments** make up a significant part of the reduction (20 %). Although these can be influenced only to a limited extent, they are still taken into account in our reduction schedule. The term “market developments” refers to the expansion of renewable energy and the associated reduction in emissions in those markets where our appliances are used, as well as the reduction in emissions from purchased goods. Estimates for both these developments have been made for the period up to 2030, based in part on commitments made by countries regarding the expansion of renewable energies.

V-ZUG is also taking additional actions that are relatively small in terms of the level of reduction achieved, but which are still considered highly important in terms of the message they send to employees and the general public.

- Introducing and enhancing our **mobility strategy** at our Zug site (approx. 1,000 employees) in 2018 to minimise motorised private transport.
- Applying **sustainable construction standards** (e.g. using wood as a construction material, recycled concrete) to minimise grey energy in our new buildings (transformation of our Zug and Sulgen sites).
- Working with suppliers to minimise **transport routes**. Approximately 60 % of our suppliers are based in Switzerland, 30 % in neighbouring countries and 10 % in Asia.
- **Professional disposal of waste** and the extensive return and recycling of household appliances at the end of their life cycle.
- Using our **CO₂ Webshop**, our customers can offset the emissions that result from using their appliances. These contributions are put towards the “V-Forest” reforestation project.

Long-term “2050 net-zero target” according to the definition by SBTi

V-ZUG deliberately abstains from the use of a long-term 2050 net-zero target as defined by SBTi. A distinction between direct emissions in Scope 1 and 2 and the large dependencies in the indirect Scope 3 must be taken into account. From today’s perspective, a target would therefore not be credible and would not reflect V-ZUG’s values such as “reliability”.

In Scope 1 and 2, from today’s perspective, V-ZUG will almost certainly reach net zero by 2050 (likely even earlier, see the goal for 2030). This is now also a requirement of the new Swiss CO₂-Act, which will enter into force in 2025. Mathematically, we have been net zero in CO₂ since 2020, taking into account offsetting with removal certificates (see above, V-Forest). This is the case when the definitions of the Intergovernmental Panel on Climate Change (IPCC) are applied (see glossary, “net zero CO₂”). If a net-zero target by 2050 were definable for Scope 1 and 2, V-ZUG would be prepared to implement it immediately. However, SBTi only provides for all three scopes.

In Scope 3, V-ZUG is committed to moving forward with ongoing and planned measures that can be implemented autonomously and independently. In particular, this involves increasing the energy efficiency of the appliances and reducing the environmental footprint from the purchased materials. Solutions for the upstream and downstream value chain are being sought and implemented in this context. For a material-intensive company such as V-ZUG, cooperation with suppliers in the area of the circular economy is crucial. In addition, household

appliances consume electricity during use. For this reason, V-ZUG is reliant on the entire electricity production to be switched to renewable energy in the served markets by 2050. While we are very confident that this will occur, the implementation is outside the control of V-ZUG. For example, as a country, China has set itself the goal of being net zero by 2060. As a result, V-ZUG would not be able to reach its target by 2050. No longer selling any appliances in these markets would not be appropriate, as this would only open the market for less sustainable appliances. From today's perspective, it is also unrealistic to expect that the appliances will no longer consume electricity by 2050 or that they will produce the required electricity themselves in a renewable manner.

Risk management

The general risk management process at V-ZUG

Risk management is a key component in V-ZUG's management system. It is used to identify risks and opportunities and initiate measures. The Board of Directors bears overall responsibility for structuring the entire risk management process and ensuring its effectiveness. The risks associated with climate change are a key component in the risk management process and are included in the risk report as a macro risk. These **macro risks** are defined as risks that pose a "fundamental threat to the continued existence of V-ZUG" over a long-term horizon (ten years or more). This is a clear sign that V-ZUG considers climate-related risks to be both urgent and significant issues. A distinction is also made from **business continuity risks**, which have a short- to medium-term horizon (one to five years).

The **risk management process** implemented at V-ZUG includes various stages and tasks:

1. **Risk identification:** Every three years, a systematic, detailed bottom-up risk-identification process is carried out based on the previous year's V-ZUG Group risk report. In the two years in between, a top-down process is followed. The monitoring of opportunities also forms part of the risk management process.
2. In the subsequent **risk analysis** stage, the identified risks are assessed in terms of their likelihood of occurrence and impact. This information is then used to determine the risk factor.

3. **Risk control:** This stage involves defining strategies and measures to manage the identified risks. Within the V-ZUG Group, the Board of Directors and Audit Committee are chiefly responsible for managing risks and addressing macro risks.

4. **Risk reporting and risk monitoring:** The Executive Committee compiles an annual risk report detailing the results of the identification, assessment and control processes that have been carried out. Individual members of the Executive Committee are responsible for reviewing compliance with and implementation of the defined risk management measures. The entire Executive Committee also takes due note of these actions. In addition, a status report on measures which have already been implemented is submitted to the Audit Committee and Board of Directors.

Specific risk management process for climate-related risks

When identifying and evaluating climate-related risks as part of the TCFD Report, we proceed in accordance with our general risk process (outlined above). This report represents a more in-depth risk evaluation. It was carried out by the Corporate Sustainability team in conjunction with the Sustainability Workforce and experts from our Finance, Legal and Procurement departments. The relevant climate-related risks were identified in a series of workshops. These risks were then categorised into physical risks and transition risks. Finally, climate-related opportunities were derived. As such, the TCFD Report is an extension of our existing risk management process. Although it is included in this process, it is published separately as part of our annual Sustainability Report.

Procedure for conducting a scenario analysis of climate-related risks

V-ZUG conducted a scenario analysis to determine the resilience of its corporate strategy in the event of various climate scenarios. In a series of workshops, eight identified risks and the impact they would have on our corporate strategy were analysed and evaluated with the aid of internal experts from the departments involved. We used climate scenarios defined by the Network for Greening the Financial System (NGFS) and recommended by the TCFD. To conduct the scenario analysis as part of our TCFD reporting, we analysed the "Orderly/Below 2 °C" and "Hot House/Current Policies" scenarios and assessed the separate risks identified in each scenario.

1. The **“Orderly/Below 2 °C” scenario** envisions a future in which climate policies are introduced early in a global context. These measures become gradually more stringent and are implemented on a systematic basis. As a result, there is a 67 % probability of global warming being kept below 2 °C by 2070. Both physical and transition risks are relatively subdued.
2. The **“Hot House/Current Policies” scenario** describes a situation in which no new climate policies are added to those that have already been adopted. This scenario assumes a global temperature rise of 3 °C or more on average by 2080, in line with scientific calculations. The potential physical risks are high in this climate scenario. Owing to the lack of (additional) climate policies, low transition risks can be assumed.

By considering these different climate scenarios separately, we can identify the expected impact on the company in each case. We can also review our sustainability targets and measures in light of how quickly or slowly climate change is progressing and make adjustments as and where necessary.

The probability of each risk and its impact on the company was assessed separately on a scale of one to ten in both scenarios. We also conducted an additional assessment for each scenario before/without and after adoption of the relevant measures. Once we had these two values, we multiplied them to determine the risk factor in each case. The procedure mirrors the risk analysis process used to assess business continuity risks in V-ZUG’s annual risk report.

The following table lists the identified climate-related risks and opportunities, their impact, the measures V-ZUG has taken and the risk factors from the scenario analysis.

Physical risks:

Physical risks are the result of gradual changes in climatic conditions and extreme weather events.

Type	Risks and opportunities (impact on V-ZUG)	Measures	Risk factors Scenario analysis
Acute/chronic			
Risk 1: Extreme weather conditions (droughts, heavy rain, floods) and chronic changes to weather patterns (higher global temperatures, rising sea levels) could have a negative impact on our supply chain.	Risk: Climate change causes an increase in the average global temperature, which may result in extreme (localised) weather events such as droughts, heat waves, heavy rain, floods and rising sea levels. Certain essential components in V-ZUG products (e.g. electronics) are produced in distant countries, some in regions which are more at risk of experiencing extreme weather events. Should any of these extreme weather events occur at one of the sites in our supply chain, this could lead to regular disruptions in deliveries and a lack of components (or drive up the prices of components), which would have a negative impact on production and net sales. Opportunity: By identifying potential problem regions early on and making the necessary adjustments to our sources of supply, we can limit the impact of supply bottlenecks. This will also make V-ZUG more resilient to future changes to the supply situation. Opportunity: Climate change may require some residential areas to be relocated, leading to an increase in global construction activity. For V-ZUG, this could mean an increase in demand for its household appliances. Opportunity: V-ZUG could ensure ongoing future demand for its appliances by adapting its portfolio/range of products in line with the realities of climate change (e.g. producing air-conditioning appliances).	Minimising risk and exploiting opportunities: • Rethink our supply chain or make it more resilient: • Greater focus on production in Switzerland • Shortening of our supply chain • Secondary/tertiary sources of supply, increased stockpiling (consider recent issues in the supply chain due to geopolitical challenges and effects/after-effects of COVID-19) • Make an active contribution to limiting global warming to 1.5°C (as per Paris Agreement) by doing the following: • Implementing our sustainability targets and ensuring regular reviews and adjustments • Reducing our Scope 1 and 2 emissions by 80 % by 2030 and reducing Scope 3 emissions by 30 % by 2030 • Promoting and supporting the expansion of the circular economy (taking back appliances, reusing components, etc.) will help make us more resilient to changes in the supply chain	1.5– 2°C scenario: Before/without measures: 12 After measures: 4 3°C scenario: Before/without measures: 64 After measures: 8

Type	Risks and opportunities (impact on V-ZUG)	Measures	Risk factors Scenario analysis
Risk 2: Extreme weather conditions (severe heat and/or other weather events) could have a negative impact on employees' health and productivity levels.	Risk: If employees are less productive due to prolonged periods of heat (or other extreme weather events) or are absent more often for health reasons, this could potentially reduce our profitability (presenteeism and more stress). V-ZUG will also have to reckon with increased adaptation costs (e.g. cooling systems, costs for absences due to illness) and higher insurance costs for assets and staff, which may drive up production costs in general. Opportunity: As a company that is committed to sustainability and future-focused transformation, V-ZUG could become increasingly attractive as an employer for potential employees.	Minimising risk and exploiting opportunities: • Focus topic: Healthy and committed employees with clearly defined sub-targets, particularly: • Focusing on the long-term health of our employees (target: stabilise the absence rate by 2025 and lower it over the long term) • Occupational safety (target: vision "zero" and 5% annual reduction in the number of accidents) • Site transformation at our headquarters in Zug and the new refrigerator factory building in Sulgen: new buildings with cooling systems have a positive impact on employee health and productivity levels	1.5– 2°C scenario: Before/without measures: 24 After measures: 6 3°C scenario: Before/without measures: 64 After measures: 25

Transition risks:

Transition risks arise gradually as part of the shift towards a low-carbon economy, for example through higher costs for emissions, mandatory reporting and repricing.

Type	Risks and opportunities (impact on V-ZUG)	Measures	Risk factors Scenario analysis
Aspiration/reputation			
Risk 3: V-ZUG is perceived as a brand that does not take responsibility for climate protection and shows no accountability .	Risk: There is a lack of clear communication regarding the climate-protection measures that have already been implemented, which leads to the V-ZUG brand being criticised for not doing enough to reduce its carbon footprint. The criticism that V-ZUG is not implementing any corporate measures related to climate protection could potentially damage the company's reputation, result in less business and see consumers switch to rival brands. Opportunity: By ensuring transparent, thorough communication of the sustainability measures and targets already implemented or planned, V-ZUG can show accountability as a company and differentiate itself from other brands.	Minimising risk and exploiting opportunities: • Greater emphasis on external communication regarding climate-protection measures already implemented or planned: • Particular focus on the key role that sustainability plays in our corporate strategy and production and development processes • Communicate our sustainability targets, reduction targets, Scope 1, 2 and 3 (approach: prevent, reduce and offset) • Streamline and consolidate the process for documenting all V-ZUG's efforts in the area of corporate sustainability to make transparent external communication easier • Gradually expand our sustainability communications to previously unused channels (e.g. social media, intranet, apps, employee onboarding, operating instructions, website) • Regularly review the information being communicated to ensure it is consistent and up to date with the sustainability measures actually implemented/planned	1.5– 2 °C scenario: Before/without measures: 25 After measures: 4 3 °C scenario: Before/without measures: 49 After measures: 9

Type	Risks and opportunities (impact on V-ZUG)	Measures	Risk factors Scenario analysis
Risk 4: Our approach to communication on climate protection measures is exaggerated and perceived as greenwashing.	Risk: The criticism/public perception that V-ZUG talks a lot about climate protection but does not implement any real measures could damage the company's reputation, mean less business and see consumers switch to rival brands. There is a risk that V-ZUG will be held accountable by private claimants. Opportunity: By continuing to implement its current and planned sustainability measures, V-ZUG can enhance its reputation and differentiate itself from its competitors.	Minimising risk and exploiting opportunities: • Transparent, serious and truthful communication regarding our projects and successes (avoiding exaggeration; transparency leads to comparability among companies and increases trust): • Transparency through annual reporting on Scope 1, 2 and 3 emissions in our Sustainability Report in accordance with global standards (GRI, GHG Protocol). • Orientation toward and alignment with relevant recommendations and requirements (e.g. SBTi, CDP) • Monitoring the regulatory environment (e.g. EU Green Claim Directive) • External validation of Scope 1 and 2 emissions and offsetting measures to achieve CO₂-neutral status at our production sites (Swissclimate) • Prioritising clear, truthful presentation and communication of the climate-protection measures that V-ZUG is currently implementing and intends to implement in the future. • Clear presentation and explanation of the approach taken and the significance of the targets/measures (e.g. offsetting with V-Forest)	1.5–2 °C scenario: Before/without measures: 63 After measures: 4 3 °C scenario: Before/without measures: 80 After measures: 9

Type	Risks and opportunities (impact on V-ZUG)	Measures	Risk factors Scenario analysis
Risk 5: We have defined ambitious climate targets and measures but are unable to implement these as planned and fall short of our targets. This could be due to unexpectedly high costs or the measures not proving to be technically feasible.	Risk: The criticism that we define climate-related targets and measures but are unable to implement them has consequences. This could damage the company's reputation, mean less business and see consumers switch to rival brands. Opportunity: By ensuring that the targeted implementation of climate-related measures remains a priority and an important point of reference in the corporate strategy, we can expect to stay one step ahead of the competition.	Minimising risk and exploiting opportunities: • Having the clear target of reducing Scope 1, 2 and 3 emissions ensures a focused approach. Annual reporting on this area in our Sustainability Report (included in the Annual Report as of 2023) enables us to review our progress toward: • Reducing our Scope 1 and 2 emissions by 80 % by 2030 • Reducing Scope 3 emissions by 30 % by 2030 • Our voluntary, internal CO₂ fund enables us to make ecologically sensible investments (e.g. e-trucks to reduce our CO₂emissions) • Regularly reviewing/monitoring our climate-protection measures and sustainability targets to ensure they are both relevant and feasible. This means making adjustments where necessary to maintain/achieve feasibility as far as possible • Prioritising the clear, truthful representation and communication of climate-protection measures	1.5–2 °C scenario: Before/without measures: 30 After measures: 2 3 °C scenario: Before/without measures: 42 After measures: 6
Regulatory/statutory			
Risk 6: More stringent regulations are issued regarding ecodesign (energy efficiency, the circular economy, material impact, etc.).	Risk: New or additional guidelines on ecodesign could be issued in the following areas: energy efficiency, circular product design, material impact, return and recycling obligations, material declarations and the proportion of recycled materials. The compliance with and implementation of these guidelines leads to higher product development costs. Opportunity: By continuing to make increased investments in developing and producing ever more energy-efficient appliances, we are able to maintain a high-quality product range and ensure compliance with ecodesign guidelines without sudden cost increases.	Minimising risk and exploiting opportunities: • Conduct regular reviews to assess which new/more stringent ecodesign guidelines are likely to be issued in the near future and affect us. • The focus must always be on developing sustainable products, regardless of any new regulations entering into force: • Pursuing a systematic investment strategy that enables future-fit innovations and efficiency gains • Using innovations and targeted guiding principles (energy efficiency, circular economy principles in product development, etc.). • Research and development costs amounted to roughly 10 % of net sales in 2022. Thanks to these investments in innovation, we are well positioned to accommodate more stringent ecodesign guidelines.	1.5–2 °C scenario: Before/without measures: 48 After measures: 32 3 °C scenario: Before/without measures: 72 After measures: 54

Type	Risks and opportunities (impact on V-ZUG)	Measures	Risk factors Scenario analysis
Risk 7: A CO ₂ levy for companies is introduced/expanded (already in place in Switzerland for heating oil and gas, potential extension).	Risk: Higher or expanded carbon taxes could lead to additional costs for the company. The introduction/increase of carbon taxes would also lead to large-scale rises in the prices of goods and services and, by the same token, reduce consumer (future) purchasing power. Opportunity: V-ZUG could be seen as something of a pioneer (voluntary internal CO ₂ levy introduced in 2018), which has a positive impact on the company's reputation and generates additional business.	Minimising risk and exploiting opportunities: - Monitoring upcoming ESG regulations and requirements on an ongoing basis - Adjusting the corporate strategy accordingly - Voluntary internal CO₂ levy introduced in 2018 (Scope 1 and 2 plus air travel) (rate: CHF 120 per tCO₂). - As such, part of the potential tax is already reflected in our budget and financial planning measures.	1.5–2 °C scenario: Before/without measures: 42 After measures: 28 3 °C scenario: Before/without measures: 64 After measures: 48
Market:			
Risk 8: Increased climate awareness and higher consumption costs lead to a change in consumer behaviour	Risk: This may lead to a drop in consumer purchasing power or see consumers buying fewer, cheaper or smaller products, leading to a slump in sales. There is also the danger of stigmatisation, meaning that consumers steer clear of certain types of products (e.g. tumble dryers, wine coolers). Opportunity: Our “Shared Economy” and “Product as a Service” models or “Second Life/Refurbishment” could provide alternatives for consumers who do not want to purchase their own appliance or cannot afford to do so. By offering these types of business models, V-ZUG can be confident of gaining an advantage in the market. Opportunity: If energy prices increase, household appliances with sustainable features will likely have a (competitive) advantage over less energy-efficient models.	Minimising risk and exploiting opportunities: - By conducting regular reviews, we can ensure that V-ZUG's range of products matches the interests and requirements of our target groups. We can also make adjustments if necessary to ensure products remain competitive over the long term. - Early promotion and further development of new business models such as “Shared Economy”, “Product as a Service” and “Second Life”. - By pursuing a systematic investment strategy, we can ensure future-fit innovations and efficiency gains.	1.5° C – 2° C scenario: Before/without measures: 16 After measures: 4 3 °C scenario: Before/without measures: 35 After measures: 10

Overview of climate-related risks, opportunities, the impact on V-ZUG, associated measures and the results of our scenario analysis

Implications:

If measures are not implemented, V-ZUG sees the greatest risk potential in the 1.5–2°C scenario for the transition risks of greenwashing, more stringent ecodesign guidelines and the expansion of a carbon tax. In the 3°C scenario without measures, delivery disruptions due to extreme weather conditions and health-related decreases in the productivity of employees are also seen as considerable risks. However, it is also clear that the impact of these risks can be significantly reduced by the measures currently in place at V-ZUG and the further measures that the company plans to implement. In terms of the 1.5–2 °C scenario, we expect that V-ZUG's measures can reduce the risks of more stringent ecodesign guidelines and carbon taxes to a moderate level, while all other risks can be reduced to a low level. Even in the 3°C scenario, we assume the measures we have outlined would achieve a clear reduction in the level of risk, albeit not to the same extent.

Financial impact:

Given the high level of uncertainty regarding the progression of climate change and lack of previous experience, while we can provide a scaled estimate as to the extent of the impact on our business, we cannot quantify the financial effects in any meaningful way.

The investments required to minimise risks and exploit opportunities are either realised in our current budget (e.g. increasing efficiency in our appliances, existing R&D budget and correct focus) or co-financed through the CO₂ fund (e.g. decarbonisation of our truck fleet, hydrogen production).

Metrics and targets

The targets we have identified, the progress made towards achieving them and information on our emissions are outlined in the [“Environment and climate protection” focus topic](#). Details can also be found in the appendix under [“Targets and status”](#) and the [GRI index](#).

Due diligence obligations in the supply chain (DDTrO)

Information on due diligence obligations and transparency in relation to minerals and metals from conflict-affected areas and child labour (DDTrO), based on Article 964j et seq. of the Swiss Code of Obligations (CO)

With our long-standing commitment to responsible procurement practices, we welcome the introduction of Switzerland's new Supply Chain Act (DDTrO), which set out the due diligence and transparency requirements in relation to minerals and metals from conflict-affected areas and child labour.

In light of the DDTrO, we are providing the following additional information:

Concerning conflict materials

The V-ZUG Group does not procure any minerals or metals in the specified characteristics that would be subject to reporting requirements under the DDTrO. This is reviewed annually by the Procurement department using the customs tariff numbers of the specific materials indicated in the Annex to the DDTrO.

We are therefore not subject to any due diligence or reporting obligations in this regard in accordance with the Swiss Code of Obligations (CO).

Our suppliers are also required by our Code of Conduct for Suppliers to disclose any relevant information on this topic to us using the IntegrityNext self-declaration platform.

Concerning child labour

Due diligence obligations concerning human rights, and child labour in particular, have always been part of supplier management at V-ZUG. Our management approach includes our Code of Conduct for Suppliers (including a reporting point), which forms an integral part of all agreements with our suppliers. We also require our suppliers to complete a self-declaration using

the IntegrityNext platform and conduct regular supplier audits on site. These supplier audits are carried out by V-ZUG employees or one of our partner companies. Further information is provided in our [“Entrepreneurship for sustainable prosperity”](#) focus topic, including key figures and targets related to audits.

Having completed a risk assessment using UNICEF's Children's Rights in the Workplace Index, we can confirm the following results:

According to the information provided by our suppliers on the country of origin, we do not work with any suppliers from critical countries and do not source any materials/modules from critical countries (classification: “Heightened”). We spend 73% of expenditure in materials/modules in countries with only a low level of risk exposure to child labour (classification: “Basic”). We spend the remaining 27% of expenses in countries with an increased risk of child labour (classification: “Enhanced”). We update this risk assessment annually based on our purchasing volume and import data

The reviews carried out as part of the regular on-site audits (“Supplier audit questionnaire” appendix) and the self-declarations (using the IntegrityNext platform) gave us no reason to suspect the use of child labour. We also received no reports via the reporting point during the reporting period (integral part of the Code of Conduct for Suppliers, section 6: Reporting point).

Targets and status

Focus topic: Products and services for a future-fit society

Targets	Baseline and target years	2024 results	Status	Metrics
Efficiency				
Increase fleet efficiency of all appliances (energy and water) by 5 %	2021; 2030	Fleet efficiency/energy 2021: 231 kWh/year 2022: 229 kWh/year 2023: 219 kWh/year 2024: 207 kWh/year (9.61% increase in efficiency vs baseline year) Newly launched appliances (dishwashers, refrigerators) with improved energy efficiency and shift of product mix in other categories led to a marked increase in fleet efficiency (+5.48 % over the previous year) in energy.	Energy: Achieved (since 2023)	Fleet efficiency: all appliances purchased multiplied by the respective annual water and energy consumption (acc. to energy label or, if not available, own calculation), divided by the number of appliances. The indicator is a calculated average V-ZUG appliance, across all product categories.
Updated 2024: Energy: Increase by 10 %		Fleet efficiency/water 2021: 6,830 l/year 2022: 6477 l/year 2023: 6836 l/year 2024: 7025 l/year (Acceptance of 8.5 % compared to the baseline, decrease of 2.8% compared to the previous year) The water efficiency indicator has little informative value as the three relevant categories exhibit annual consumptions that differ greatly from each other: (WA Unimatic, approx. 37,000 l, WA Adora, approx. 9,000 l, GS Adora, approx. 2,700 l). The average value therefore varies/fluctuates depending on the mix of products sold. In the coming years, we plan to provide a breakdown by category so that meaningful information can be provided.	Water: On track	

Targets	Baseline and target years	2024 results	Status	Metrics
One appliance per product category in top 3 for efficiency (comparison site TopTen.ch)	Annual review	Washing machines: Energy: 1. /Water: 7. Tumble dryers: Energy: 1. Ovens: Energy: 2. Steamers: Energy: 1. Dishwashers: Energy: 1. /Water: 1. Fridge-freezers: Energy: 4. Refrigerators with freezer compartment: 5. Range hoods/island: Energy: 5. Range hoods/downdraft: 14. Range hoods/flat: Energy: 7. In top 3 in 6 out of a total of 12 categories: 50 % target attainment. If only the main categories are considered, the target is achieved in 5 out of a total of 7 categories. A number of projects are being carried out or set up that will improve efficiency in the extractor and refrigerator categories in the future.	Not achieved	Ranking from comparison site TopTen.ch – as at: December 2024
All our current network-enabled appliances have extensive integrated eco-functions/ services	n.a.; 2025	Current functions in 2024 (selection, not exhaustive): - EcoManagement: usage data displayed, predicted and actual values (multiple categories) – now also with list view in the V-ZUG-Home app - OptiDos washing machines: optimised, economical detergent dosage - OptiTime: if speed is not important. Long running time with maximum energy and water efficiency. - Wide-ranging electricity saving campaign run via V-ZUG-Home app; eco-functions available – upgradable, with focus on digital technology	On track	Cannot be quantified – will continue to be stated qualitatively for the time being

Targets	Baseline and target years	2024 results	Status	Metrics
Circularity				
Life cycle assessments for all appliances (one reference model per category)	n.a.; 2023	Method established at the company, additional resources created in Development (Sustainability Expert Engineering) 11 of 11 categories done Target achieved and exceeded. Total of 32 LCAs created (multiple appliances per category). Basis for product development and now also for Scope 3 recording in the "Purchased goods and services" category. Included in the standard process. Data is updated on an ongoing basis in the event of changes in the range. Data will be published in 2025 on the V-ZUG website.	Achieved (since 2023)	No. of appliances (reference model) per category Total categories: 11 (steamers, ovens, drawers, microwaves, CoffeeCenters, hobs, range hoods, dishwashers, refrigerators, washing machines, tumble dryers)
Achieve 90 % recyclability of appliances	Development projects; 2025	No project completed yet. Method worked out in theory and validated with recycling companies (washing machines and refrigerators) Status quo across all categories with LCA recording carried out in 2023. Recycling rate between 77 % (hob) and 97 % (refrigerator). Background: The recycling rate depends on the method of recycling used. The more circular economy principles we introduce, the higher the rate will be. First major project using the method Implemented in product requirements and development process for all projects	On track	Recycling and reuse rate per product (anchor product)
Reduce ecopoints (EPs) by 5 %	Development projects; 2030	Completed refrigerator project in 2023, achieving the goal: EP EoL reduced by -20 %. Although the new model has a larger footprint in terms of materials (consideration: assembled, especially insulation, +39 % UBP), its EPs are substantially reduced due to the reduced energy consumption in use (consideration: end-of-life, EoL). Further major project using the method; initial projection at milestone 30 (completion of concept phase) is promising. No completed projects (new developments) in 2024. Implemented in product requirements and development process for all projects	On track	When developing new products compared to predecessor model
All appliances developed according to circular design principles	Development projects; 2030	No project completed yet. Core element: design-to-circularity principles Method worked out and introduced, being applied in first major project; included in milestone analysis Implemented in product requirements and development process for all projects	On track	Application of principles, success measurable as fewer EPs in LCA

Targets, results and status in relation to the focus topic "Products and services for a future-fit society"

Possible statuses: Achieved, On track, Delayed, Not achieved (if new target: Initiated)

Targets, facts and figures

Focus topic: Resilient and committed employees

Targets	Baseline and target years	2024 results	Status	Metrics
Occupational safety: vision "zero" and 5 % annual reduction in the number of accidents	Annually	Workplace accidents 2021: 89 Workplace accidents 2022: 88 Workplace accidents 2023: 75 Workplace accidents 2024: 91 16 more workplace accidents than 2023 – 21 % increase. V-ZUG recorded 91 occupational accidents during the reporting year (previous year: 75). These generated a total of roughly 9,523 lost hours, or 0.32 % of contracted hours (2023: 0.24%). V-ZUG put targeted measures in place and raised awareness of hazards in the workplace and correct conduct across the company. Nevertheless, the goal of reducing accidents every year has not been achieved. In 2025, efforts will be stepped up further. Awareness-raising measures: 2021: Tripping and Falling, 2022: Cuts and bruises, 2023: Lifting and Carrying, 2024: Electric shocks. Monthly occupational safety training also held for all new employees. Introduction of occupational safety contacts (KoPAS).	Not achieved	No. of occupational accidents (both minor and significant accidents)

Targets	Baseline and target years	2024 results	Status	Metrics
Long-term health: we will stabilise the absence rate by 2025 and lower it long-term	2020; 2025	Absence rate 2021: 3.80 % Absence rate 2022: 4.42 % Absence rate 2023: 4.02 % Absence rate 2024: 4.31 % The lost hours rate for 2024 was 4.31% (in relation to contracted hours) in total, 0.29 percentage points higher than the previous year. Down almost 2.53 percentage points during the reporting year, illness was the most frequent cause of absence at 80.72 %. In particular, long-term absences due to illness have been reduced. Absences due to occupational accidents increased by 0.08 percentage points compared to the previous year. The reasons for this increase are not only the higher number of accidents, but also the improved data quality in recording lost hours. For 2025, the focus is on reducing short-term absences due to illness. Internal health-promotion programmes: Work/life balance; Healthy eating; Balancing work with a new baby; Flexible working; Ergonomic working; Avoiding home and leisure injuries; Getting healthy; Accepting help; Achieving a balanced lifestyle; Nurturing yourself; Maintaining good mental health.	Delayed	Absence rate, in % of contracted hours
Investment in education and training: 0.65 % of payroll spend	Annually	Investment 2021: 0.67 % (CHF 899,000) Investment 2022: 0.67 % (CHF 925,000) Investment 2023: 0.62 % (CHF 857,000) Investment 2024: 0.65 % (CHF 880,000) "V-ZUG Academy" offering: internal and external training courses on a wide variety of subjects	Achieved	Investment as % of AHV insured salary total

Targets, results and status in relation to the focus topic "Healthy and committed employees"

Possible statuses: Achieved, On track, Delayed, Not achieved (if new target: Initiated)

Targets	Baseline and target years	2024 results	Status	Metrics
Investment in vocational training: 1.35 % of payroll spend	Annually	Investment 2021: 1.46 % (CHF 1,965,000) Investment 2022: 1.37 % (CHF 1,900,000) Investment 2023: 1.39 % (CHF 1,937,000) Investment 2024: 1.36 % (CHF 1,848,000) Occupations (Zug only): automation engineer, automation technician, IT specialist, media and technology specialist, commercial employee, chef, design engineer, logistics specialist, general mechanic, mechanical technician, road transport specialist Total of 93 apprenticeships in 11 skilled trades	Achieved	Investment as % of AHV insured salary total
Diversity: we will increase the proportion of women across the Group	n.a.; 2025 (new: 2030)			HR metrics
1) In leadership team, incl. Board, to >25 %		1) Leadership team: 2021: 23.6 % / 2022: 20.0 % / 2023: 20.8 % / 2024: 21.5 %	1) Delayed	
2) same proportion in management team as across the entire company (see 3)		2) Management team: 2021: 20.8 % / 2022: 22.4 % / 2023: 20.6 % / 2024: 20.7 %	2) Delayed	
3) and proportion of women generally across the entire company		3) Proportion of women generally: 2021: 23.2 % / 2022: 24.4 % / 2023: 23.6 % / 2024: 24.2 % Despite our considerable efforts, it is proving a challenge to increase the proportion of women at the company in the short term. Therefore, in 2023, we decided to stick to the ambitious target, but to change the target year from 2025 to 2030. Encouragingly, for 2024, V-ZUG has a higher proportion of women on all three employee levels. Measures to support combining work and family: part-time models, annual working time accounts, flexible working models, smart work, working from home, diversity recruitment guidelines, provision of neutral information about occupations on Future Day, "Trau Dich" ("dare to lead") campaign	3) On track	
Inclusion: employees feel included and show commitment, and work satisfaction is high: Target: > 80 %	Survey every 2-3 years	2018 employee survey: 74 points 2021 employee survey: 79 points 2023 employee survey: 79 points 2024 employee survey: no survey conducted, scheduled for 2025 2018 survey within V-ZUG Ltd (approx. 80 % of employees), extended to whole Group in 2021 and 2023 (100 % of employees). The survey is carried out across the Group every two years.	On track	Employee survey: Indicator "Goal-driven attitude" – 2021 Swiss benchmark: 80 points

Targets, facts and figures

Focus topic: Environment and climate protection

Targets	Baseline and target years	2024 results	Status	Metrics
CO ₂ emissions				
To be carbon-neutral at all production sites in Scope 1 and 2 (incl. offsetting)	Annual review	The remaining emissions in the 2024 reporting year will once again be offset in collaboration with the Ripa Gar Foundation with high-quality reforestation in the "V-Forest" (removal certificates). For details, see the TCFD Report .	Achieved (since 2020)	Scope 1 and 2 emissions as per Greenhouse Gas Protocol (market-based)
To reduce the remaining Scope 1 and 2 emissions by 80 % (long-term ambition: 100 %)	2020; 2030	2021: 4,340 t CO ₂ 2022: 3,689 t CO ₂ 2023: 3,741 t CO ₂ 2024: 3,541 t CO ₂ Thanks to ongoing transformation at the Zug site and the gradual decarbonisation in the vehicle fleet, emissions fell by 10.5 % in the reporting year. Cumulatively compared to the 2020 baseline year, V-ZUG is on track (-24.7 %). Market-based figures; for details, see GRI index With the heat pump in the new refrigerator factory building in Sulgen, V-ZUG has completely eliminated emissions caused by heating oil at the old site (Arbon). The expansion of the Multi Energy Hub (MEH) at the Zug site is progressing. During the reporting year, however, various areas were still running in duplicate (transformation). In addition, the existing buildings will no longer be connected to the MEH, as they will be replaced with new buildings by 2030 (including MEH connection). The gradual decarbonisation of the V-ZUG vehicle fleet (trucks and service vehicles) contributes positively to the reduction, as well as the reduction of propane gas, which was completely discontinued in September.	On track	Scope 1 and 2 emissions as per Greenhouse Gas Protocol

Targets	Baseline and target years	2024 results	Status	Metrics
To have transparency regarding our Scope 3 emissions	n.a.; 2021	Has been recorded annually since 2021: 11 out of 15 categories are relevant for V-ZUG; two categories together account for around 90 % of emissions: 3.11: Use of sold products/3.1: Purchased Goods and Services – for details, see GRI index . Target finally achieved: Scope 3 recording is included as standard in reporting	Achieved (since 2021)	Scope 3 emissions as per Greenhouse Gas Protocol
To reduce Scope 3 emissions by 30 %	2020; 2030	The focus is on the two categories that together account for approx. 90 % of emissions: 3.11: Use of Sold Products/3.1: Purchased Goods and Services Scope 3 emissions 2021: 432,057 (–6.1 % compared to the previous year, –6.1 % compared to the baseline) 2022: 417,617 (–3.3 % compared to the previous year, –9.21 % compared to the baseline) 2023: 338,078 (–19 % compared to the previous year, –26.5 % compared to the baseline) 2024: 339,979 (+0.6 % relative to the previous year, –26.1 % compared to the baseline) Scope 3 at V-ZUG depends heavily on volume (70 % of emissions come from use, approx. 20 % via the materials used). During the reporting year, 4 % more appliances were sold, but emissions were kept at the level of the previous year. This was achieved through advances in fleet efficiency with respect to power consumption (–5.8 %), the footprint of the materials used and more renewable electricity in the markets where our appliances are used. In relative terms (emissions per appliance sold), the reduction compared to the baseline also amounts to –16.2 %.	On track	Scope 3 emissions as per Greenhouse Gas Protocol, annual survey of main categories (11 out of 15)

Targets	Baseline and target years	2024 results	Status	Metrics																								
Environment and waste																												
To continuously reduce the amount of waste through targeted initiatives and by optimising disposal methods. For years, we have not disposed of any waste in landfill sites, and we are maintaining this approach.	2020; 2030	Survey of waste and disposal methods: 2024: Recycling 88.1/composting 0.2 %/incineration: 10.5%/special waste: 1.3 %/ landfill: 0 % (see GRI index for details) Focus in 2024: A new waste concept was introduced at Zug as part of the site development process. In this way, V-ZUG is responsible for operational waste management in accordance with the recycling and fuel strategy in the spirit of the circular economy.	On track	Waste amount in tonnes and by waste type																								
To reduce the relative impact on the environment continuously and increase ecological efficiency by at least 40 % by 2030 (ecological efficiency: environmental impact, relative to net sales)	2020; 2030	The planned environmental measures have been implemented. The environmental footprint of the production sites has not changed significantly, as larger volumes were produced again compared to the previous year. Changzhou, in particular, was able to bring its production back to normal levels. Sales increased by 1.1 % in a difficult market environment. This did not result in an increase in ecological efficiency in 2024. Cumulatively, however, V-ZUG is on track. <table><tr><td>2021: environmental footprint:</td><td>19,639 million EPs</td></tr><tr><td>Net sales:</td><td>CHF 631.3 million</td></tr><tr><td>Increase in ecological efficiency:</td><td>6.9 %</td></tr><tr><td>2022: environmental footprint:</td><td>16,902 million EPs</td></tr><tr><td>Net sales:</td><td>CHF 636.3 million</td></tr><tr><td>Increase in ecological efficiency:</td><td>13.6 %</td></tr><tr><td>2023: environmental footprint:</td><td>15,134 million EPs</td></tr><tr><td>Net sales:</td><td>CHF 585.4 million</td></tr><tr><td>Increase in ecological efficiency:</td><td>2.1 %</td></tr><tr><td>2024: environmental footprint:</td><td>15,218 million EPs</td></tr><tr><td>Net sales:</td><td>CHF 591.7 million</td></tr><tr><td>Increase in ecological efficiency:</td><td>0.4 %</td></tr></table> Cumulative since 2020: increase in ecological efficiency of 23 %	2021: environmental footprint:	19,639 million EPs	Net sales:	CHF 631.3 million	Increase in ecological efficiency:	6.9 %	2022: environmental footprint:	16,902 million EPs	Net sales:	CHF 636.3 million	Increase in ecological efficiency:	13.6 %	2023: environmental footprint:	15,134 million EPs	Net sales:	CHF 585.4 million	Increase in ecological efficiency:	2.1 %	2024: environmental footprint:	15,218 million EPs	Net sales:	CHF 591.7 million	Increase in ecological efficiency:	0.4 %	On track	EPs (in accordance with the Swiss ecological scarcity method of life cycle assessment, version 2021), indexed net sales adjusted for currency effects, environmental impact relative to net sales
2021: environmental footprint:	19,639 million EPs																											
Net sales:	CHF 631.3 million																											
Increase in ecological efficiency:	6.9 %																											
2022: environmental footprint:	16,902 million EPs																											
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Net sales:	CHF 591.7 million																											
Increase in ecological efficiency:	0.4 %																											

Targets, results and status in relation to the focus topic "Environment and climate protection"
Possible statuses: Achieved, On track, Delayed, Not achieved (if new target: Initiated)

Targets, facts and figures

Focus topic: Entrepreneurship for sustainable prosperity

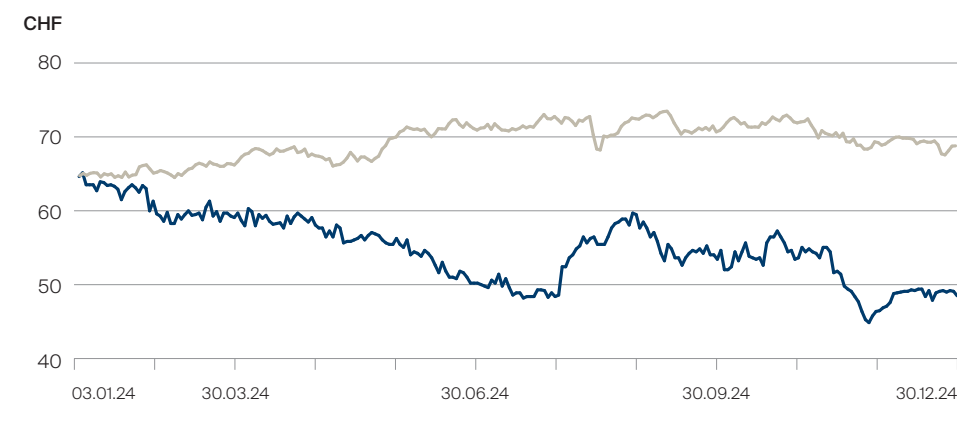
Targets	Baseline and target years	2024 results	Status	Metrics
To generate a significant two-digit EBIT margin in the medium term (10–13%), in order to be able to invest sustainably and thereby maintain our future viability	Annually	EBIT margin 2021: 9.9% EBIT margin 2022: 1.6% EBIT margin 2023: 2.9% EBIT margin 2024: 4.3% See Financial Report for background and details	Not achieved	EBIT margin as per Annual Report
To achieve organic sales growth of 3%	Annually	Sales growth 2021: 9.5% Sales growth 2022: 0.8% Sales growth 2023: –8.0% Sales growth 2024: 1.1% See Financial Report for background and details	Not achieved	Sales growth as a percentage as per Annual Report
To have audited all our key suppliers (covering at least 80 % of our sales volume) in line with sustainability criteria	n.a.; 2025	Tools and processes introduced and being established ("IntegrityNext", "Sphera", Supplier Code of Conduct, training, etc.). Using the IntegrityNext self-declaration platform, we covered 75 % of our purchasing volume by the end 2024. Regular supplier audits also conducted on site, including sustainability aspects. Audits were stepped up again following a pandemic-related reduction.	On track	Purchasing volumes and number of suppliers
To account for one core element per product category, with a transparent supply chain down to the lowest possible level	n.a.; 2025	Initial core elements considered in detail with the Procurement department: • Washing machine plinth (plastic) • Washing machine drawer (plastic) • Interior of dishwasher and "CombiSteamer" (stainless steel) During the reporting year, the focus was on the transparency of the origin countries of materials across all goods purchased, not on the transparency of the supply chain of individual core elements. In the case of technical components (plastics, electronics, metals, motors, etc.), it is quite difficult to trace the supply chain over more than three stages. V-ZUG plans to revise this goal for 2025.	On track	Core element per product category

5-year overview of the Group

in CHF million	2024	2023	2022	2021	2020
Consolidated income statement					
Net sales	591.7	585.4	636.3	631.3	569.4
Change in net sales compared with previous year in %	1.1	-8.0	0.8	10.9	4.7
EBITDA	55.6	48.6	42.7	94.7	79.6
- Depreciation, amortisation and impairment	-30.3	-31.8	-32.4	-32.0	-30.5
Operating result (EBIT)	25.3	16.8	10.3	62.7	49.2
- Financial result	0.7	-3.2	-0.3	-0.6	-0.4
- Taxes	-4.6	-1.9	-2.1	-6.6	-5.5
Group net result	21.4	11.7	7.9	55.4	43.2
Consolidated balance sheet					
Total assets	636.5	619.5	606.8	616.1	554.7
Current assets	230.5	237.8	255.2	284.1	245.5
in % of total assets	36.2	38.4	42.0	46.1	44.3
Net cash and cash equivalents	83.4	80.9	64.4	117.2	107.7
in % of total assets	13.1	13.1	10.6	19.0	19.4
Fixed assets	406.0	381.7	351.7	332.0	309.2
in % of total assets	63.8	61.6	58.0	53.9	55.7
Total liabilities	150.1	155.6	153.0	167.3	161.5
in % of total assets	23.6	25.1	25.2	27.1	29.1
Shareholders' equity	486.3	463.9	453.8	448.9	393.2
in % of total assets	76.4	74.9	74.8	72.9	70.9
Cash flow / capital expenditure / employees					
Cash flow from operating activities	58.0	80.5	1.0	63.5	99.4
Capital expenditure	53.8	68.4	50.2	53.1	55.8
Employees as per 31.12. (FTE)	2,086	2,066	2,193	2,080	1,999
Household Appliances segment					
Net sales	591.7	585.4	636.3	631.3	569.4
Operating result (EBIT)	20.5	12.3	5.6	58.1	46.2
in % of net sales	3.5	2.1	0.9	9.2	8.1
Real Estate segment					
Operating result (EBIT)	6.2	5.9	5.9	5.4	3.7

Share information

Price performance of registered shares of V-ZUG Holding AG (2024 financial year)



● **SXGE** – Swiss Performance Index, SPI (rebased)
● **V-ZUG N** – Registered shares of V-ZUG Holding AG
 Source: www.six-group.com (daily closing prices for V-ZUG)

Listing

The registered shares of V-ZUG Holding AG, domiciled in Zug, Switzerland (registered in the commercial register of the Canton of Zug under CHE-352.183.990), have been listed in the Swiss Reporting Standard of the SIX Swiss Exchange, Zurich, Switzerland, since 25 June 2020 and are included in the SPI (ticker symbol VZUG; security number 54 248 374, SIN CH0542483745).

Important dates

8 April 2025 Annual General Meeting
 23 July 2025 Publication of half-year results

in CHF		2024	2023
Number of shares in units	year end	6,428,571	6,428,571
Stock market capitalization	year end	315,642,836	416,571,401
Data per share			
Group net result ¹⁾		3.33	1.82
Cash flow from operating activities ¹⁾		9.02	12.51
Shareholder's equity ¹⁾		75.65	72.17
Dividend		0.90 ²⁾	– ²⁾
Stock market price	high	66.20	98.50
	low	44.90	55.00
	year end	49.10	64.80

¹⁾ Based on weighted average of outstanding shares during the reporting period, see p. 89.

²⁾ According to proposal of the Board of Directors.

Dividend policy

V-ZUG Holding AG pursues a dividend policy that is primarily based on the distributable profit level. Mid- and long-term, the pay-out ratio is expected to be between 20 % and 40 % of the Group net result.

For the reporting year 2024, the Board of Directors will propose an ordinary dividend to the Annual General Meeting as well as a tax-free distribution from capital reserves amounting to CHF 0.45 per share; this totals CHF 0.90 per share.

Legal information

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Editing

Editing: V-ZUG Holding AG, Investor Relations, Group Controlling and Finance, Legal and Compliance, Sustainability

Editorial deadline: 4 March 2025

Disclaimer

All statements in this Annual Report that do not relate to historical facts are forward-looking statements that express intentions, beliefs, expectations and projections about future financial, operational and other developments and results. These statements and the underlying assumptions are subject to numerous risks, uncertainties and other factors that could cause actual developments to differ materially. Market data and valuations as well as past trends and valuations described in this Annual Report are no guarantee of the future development and future value of the company or the V-ZUG Group.

The Annual Report is published in German and English. In the event of any discrepancies between the two versions, the German version is binding.

More
information
can be found
on our
website

Annual reports and financial reports

www.vzug.com/ch/en/financial-reports

Sustainability

www.vzug.com/ch/en/about-v-zug/sustainability

Swiss origin

www.vzug.com/ch/en/about-v-zug/swiss-by-origin

Investor Relations

www.vzug.com/ch/en/investor-relations

V-ZUG Group addresses

www.vzug.com/ch/en/about-v-zug/group-organization

Innovations

www.vzug.com/ch/en/about-v-zug/innovation-that-matters

Photos

Philipp Obkircher, Berlin (p. 16, 19), Fabian Frinzel, Munich (S. 14),
Gerhardt Kellermann, Munich (S. 46), Jonas Weibel, Zurich (p. 4, 28, 34)
Other photos provided by V-ZUG

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