

Bystronic



Annual Report 2025

Full Solutions Partner

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Full solutions partner

Bystronic is shaping the future of industrial manufacturing. As a leading provider of solutions for sheet metal processing, the company combines laser cutting technology, press brakes, automation, and software with innovative laser applications for new materials and processes. Bystronic offers new possibilities for connected, sustainable production worldwide.

Bystronic headquarters are located in Switzerland, with development and production facilities in Germany, Spain, Italy, China and the USA. The company serves customers in more than 30 countries with its own subsidiaries and a network of dealers and agents.

We value for customer proximity, high-performance innovation, service excellence and local expertise. Our goal is serve as a long-term, trusted partner to our customers.

Bystronic has over 2,900 employees worldwide at more than 40 locations. Bystronic AG has been listed on the SIX Swiss Exchange (SIX: BYS) since 2021.



Bending Automation



Laser Automation

Bystronic's smart factory concept

Bystronic's smart factory concept embodies our position as a technology-driven partner of fully integrated solutions for the sheet metal industry. It represents a scalable ecosystem in which advanced automation, intelligent software, and connected services operate seamlessly together. Through the interoperability of BySoft Suite, customers benefit from a unified and reliable data environment, enabling transparency, traceability, and real-time decision-making across the entire value chain.

Not only do we help optimize our customer's production processes, we also manage their business workflow, from quotation and order management to production planning, execution, and supply chain integration.

By placing customer needs at the center of our approach, we deliver comprehensive, future-ready solutions that increase productivity and profitability, enhance flexibility in dynamic markets, and enable data-driven business management. In this way, Bystronic acts as a long-term technology partner, supporting sustainable growth and operational excellence across the full business lifecycle.



Smart factory concept



Software



Service



Strengthened resilience in a challenging environment

In 2025, we guided Bystronic through another challenging year, navigating persistent market weakness, geopolitical uncertainty, and external pressures such as tariffs and currency fluctuations. While we remained in a loss position, underlying profitability improved, with the operating result narrowing to CHF –19.8 million, compared with an adjusted EBIT of CHF –47.4 million in the prior year.

In 2025, Bystronic navigated a difficult market environment with no recovery and remained disciplined in execution and strategic focus. Order intake increased by 5.0% (at constant exchange rates) to CHF 634.5 million, exceeding net sales of CHF 613.2 million, maintaining a positive book-to-bill ratio. This performance was driven by strong momentum across Tube and Bending, as well as Automation solutions, and a higher order intake in DNE LASER, supported by our dual brand strategy. At the same time, significantly reduced total operating costs strengthened operational resilience, giving us confidence that Bystronic is well positioned to grow when market conditions improve.

Adapted to new market realities

Over the past 15 months, Bystronic has undergone a comprehensive restructuring and reorganization that was completed in 2025. We have simplified structures, clarified responsibilities, and strengthened our ability to adapt to changing market conditions. While overall performance remains dependent on favorable market conditions, the organization is now better equipped to respond quickly to evolving customer needs. Both the Systems and Service divisions made important progress.

Strengthening our position as a full solutions partner

Within this challenging environment, Bystronic continued to deliver on its strategic priorities. Systems progressed in its shift toward integrated solutions, driven by strong performances in Tube and Bending, as well as Automation solutions. At the same time, the Service division focused on improving customer satisfaction, introducing a new digital customer portal that contributed to an improvement in Bystronic's reputation. Together, these developments reinforce Bystronic's positioning as a solutions- and service-oriented partner and increase resilience across the business.

Increasing customer value through innovation

Organic growth remains our foundation, with continued investment in productivity enhancing solutions that combine machines, automation, software and services. As part of this strategy, innovation remains a key priority for Bystronic. We launched several new products in 2025, with a strong emphasis on automation and digital solutions. The continued expansion of our Tube business, including the launch of the ByTube Star 330, addressed a broader range of applications and customer requirements. We further developed our competences in automation solutions and enhanced the ByTrans Modular, and additionally developed the ByLoader Flex to provide a highly efficient and user-friendly system for automating cutting cells.

Bystronic Roфин: Medical devices and semiconductor markets

Building on this momentum, we initiated the process to acquire the Tools for Materials Processing business from Coherent Corp., which was successfully completed in January 2026, establishing the new Bystronic Roфин business unit. Strategically, Roфин expands our technology portfolio with advanced laser applications and opens access to attractive growth markets in medical devices and semiconductors. The acquisition strengthens Bystronic's position as a full solutions partner, accelerates innovation, and diversifies our business to increase resilience across market cycles.

Embedded sustainability in products and operations

Sustainability is a central part of our business strategy and product development and helps clients achieve greater energy and resource efficiency when using Bystronic solutions. In 2025, our sustainability ambitions were validated by the Science-Based Targets initiative, which is a key accomplishment for our efforts to operationalize sustainability. In this Annual Report, we are reporting our progress in line with the Corporate Sustainability Reporting Directive (CSRD), reflecting Bystronic's commitment to transparency and responsible business conduct.

Stronger focus on people and culture

Our employees played the most important part in navigating 2025. We focused on advancing a new company culture through the implementation of the Bystronic Mindset Journey. By fostering new behaviors, we are shaping a culture that improves collaboration, encourages entrepreneurial thinking, and ensures we remain innovative and resilient in the face of evolving market challenges. We are grateful for the commitment and professionalism of our employees, who were essential in navigating another demanding year.

Changes in the organization

The formation of our Executive Committee was completed during the year, with Wilfried de Backer joining Bystronic as Chief Service Officer and Dr. Javier Perez joining us as Chief Financial Officer.

After 30 years on the Board of Directors, Dr. Matthias Auer has announced his resignation at this year's Annual General Meeting. Urs Riedener has also announced his resignation at this year's meeting after 12 years. The Board of Directors would like to express its appreciation and gratitude to both gentlemen for their prudent work and cooperation and wishes them all the best for the future. The Board of Directors proposes the election of Fabrice Billard and Daniel Bischofberger as new members of the Board of Directors for a term of office lasting until the end of the next Annual General Meeting.

Dividends

The Board of Directors will propose to the Annual General Meeting on April 21, 2026, a dividend of CHF 4.00 per class A registered share and CHF 0.80 per class B registered share, totaling CHF 8.3 million. This reflects the Group's solid liquidity position and aligns with Bystronic's dividend policy.

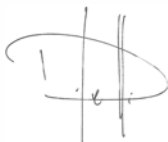
Outlook

Looking ahead, we do not expect a significant improvement in the overall market environment in 2026. Bystronic expects to return to increasing net sales, supported by a higher backlog in the sheet metal business, and additional contributions from Bystronic Roфин. Combined with significantly improved operating costs, the company is taking the next step toward profitability.

Zurich, February 26, 2026

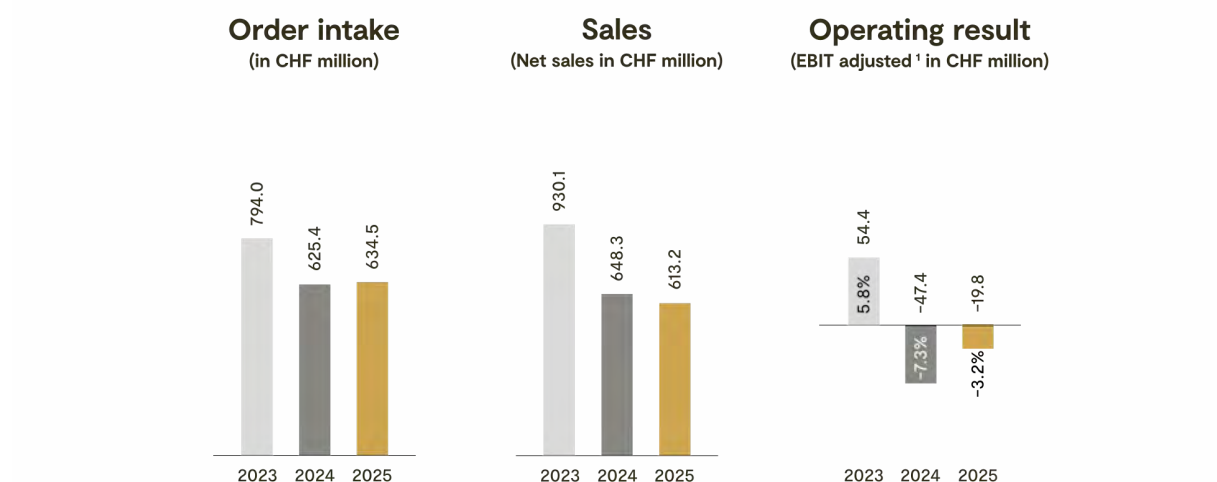


Dr. Heinz O. Baumgartner
Chairman of the Board of
Directors



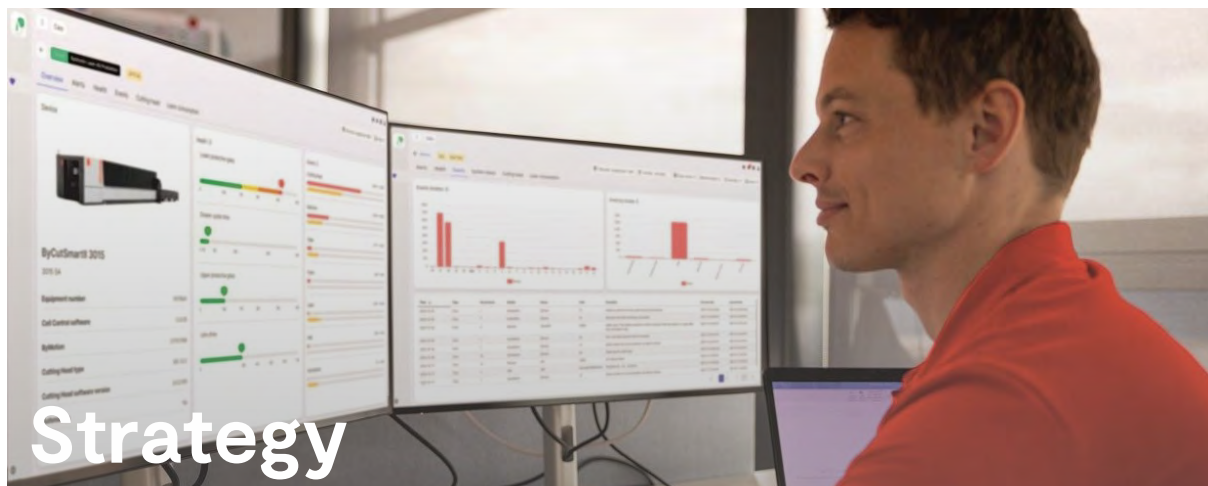
Domenico Iacovelli
CEO

Key figures



CHF million	2025	2024
Order intake	634.5	625.4
Change compared to prior year	1.5%	-21.2%
Change compared to prior year at constant exchange rates	5.0%	-18.6%
Backlog	244.4	239.2
Net sales	613.2	648.3
Change compared to prior year	-5.4%	-30.3%
Change compared to prior year at constant exchange rates	-2.2%	-28.1%
EBITDA	-6.0	-58.2
in % of net sales	-1.0%	-9.0%
Operating result (EBIT) adjusted ¹	-19.8	-47.4
in % of net sales	-3.2%	-7.3%
Operating result (EBIT)	-19.8	-84.0
in % of net sales	-3.2%	-13.0%
Net result	-28.9	-67.6
in % of net sales	-4.7%	-10.4%
Operating free cash flow	-18.8	1.2
CAPEX	9.5	12.5
Net operating assets (NOA)	223.5	240.1
Return on net operating assets (RONOA)	-11.5%	-25.9%
Equity	595.2	637.3
in % of total assets	70.4%	69.2%
Earnings per class A registered share in CHF	-14.00	-32.67
Average number of full-time equivalents	2,907	3,268
Dividend per class A registered share in CHF	4.00	4.00
Dividend per class B registered share in CHF	0.80	0.80

¹ Before restructuring and impairments (note 1.3 in the Financial Report)



Strengthening our position as a full solutions partner

Bystronic's strategy is focused on achieving sustainable, profitable growth while increasing the resilience of the Group in a cyclical industrial environment. Building on its strong position in sheet metal processing, Bystronic continues its journey from a machine oriented supplier towards a full solutions partner, offering integrated solutions across the entire customer value chain.

This strategic ambition is underpinned by a combination of organic growth, targeted acquisitions, and strategic partnerships. Together, these elements are designed to expand Bystronic's portfolio, deepen customer relationships, and reduce exposure to economic cycles in individual end markets.

Organic growth as the foundation

The Group continues to invest in the development of its existing portfolio, with a clear focus on productivity enhancing solutions that combine machines, automation, software, and services. By addressing a broader share of customer needs, Bystronic aims to increase customer value over the full life cycle of its solutions, building the foundation for organic growth.

Expanding market share in our regions and deepening relationships with OEM customers and channel partners remain key priorities. The global production, sales, and service footprint provides a strong platform to support customers locally and to further increase market share.

Disciplined M&A and partnership approach

To complement organic growth, Bystronic is pursuing a clearly defined M&A and partnership strategy. Targeted acquisitions will add complementary applications, enhance solution offerings, and strengthen regional market access.

At the same time, Bystronic aims to diversify the business into adjacent markets to increase resilience and reduce cyclical risk. By selectively expanding into related businesses and ecosystems with similar technological DNA, Bystronic seeks to achieve a more balanced exposure to end markets and to further develop its solutions offering beyond the traditional sheet metal cycle.

In line with this approach, Bystronic acquired the Tools for Materials Processing business unit of Coherent Corp. effective January 30, 2026. The business is being integrated into a newly established Bystronic RoFin business unit. The acquisition complements Bystronic's portfolio with additional laser applications, including micro material processing, marking, labeling and drilling, and supports the expansion of integrated solution offerings in adjacent growth markets such as medical devices, semiconductors and general manufacturing.



The headquarters of Bystronic Roфин remains in Gilching (near Munich, Germany).



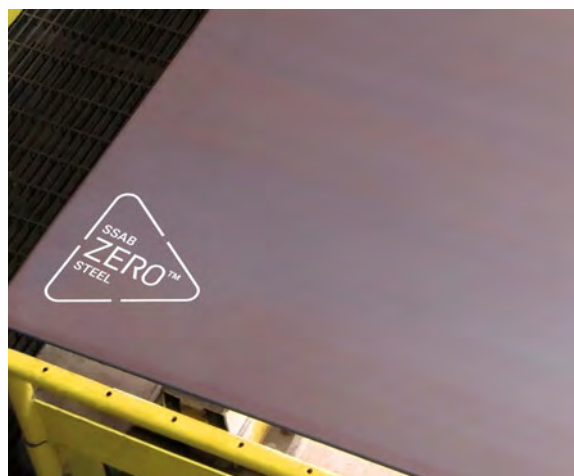
The acquisition complements Bystronic's portfolio with additional laser applications, including micro material processing, marking, labeling and drilling.

Strategic partnerships to accelerate growth

Strategic partnerships play an important role in unlocking growth potential. In Japan, Bystronic entered into a strategic partnership with Komatsu, strengthening its access to key industrial markets through a well-established local partner and supporting the delivery of integrated solutions to customers. In Europe, the partnership with SSAB on green steel solutions reflects Bystronic's ambition to support customers along their sustainability journey and to contribute to more resource efficient and environmentally responsible metal processing solutions.



Domenico Iacovelli (CEO Bystronic, left) & Johnny Sjöström (CEO SSAB, right)



Bystronic's partnership with SSAB on green steel

Long term value creation

Through the combination of organic growth, targeted acquisitions and strategic partnerships, the Group remains committed to disciplined capital allocation and to executing its strategy with a long term perspective, creating sustainable value for customers, employees and shareholders.



Increased profitability in challenging market environment

Difficult economic conditions with no market recovery persisted throughout 2025. Despite this backdrop, Bystronic achieved a higher order intake over prior year as well as operational improvements, driven by restructuring and reorganization measures completed in 2025. These actions enhanced operational efficiency, optimized Bystronic's product portfolio, and strengthened the company's ability to respond to evolving market realities.

Order intake and sales development

In a challenging market environment, Bystronic recorded order intake of CHF 634.5 million in 2025, an increase of 1.5% compared to prior year and 5.0% at constant exchange rates.

Order intake was driven by a strong performance in Tube and Bending, as well as Automation solutions, which continue to serve as a key driver for the industry. In the Tube business, order intake increased from new markets such as data centers, while the launch of the ByTube Star 330 further strengthened Bystronic's reputation in tube laser processing. Bending systems saw growing demand for fully automated bending cells, which Bystronic met through operational improvements at its Gotha, Germany, facility.

As expected, net sales amounted to CHF 613.2 million, down CHF 35.1 million (–5.4% compared to prior year; –2.2% at constant exchange rates), primarily due to lower order intake in the previous year.

Regions

In the fourth quarter, we saw a slight recovery in EMEA, driven primarily by stronger performance in Spain and Italy. The DACH region also recorded solid order intake, particularly in automation and smart factory solutions. Overall, EMEA began to regain momentum, supported by rising customer demand for automation solutions.

The Americas region remained stable, with improved performance in Mexico and Canada. The U.S. market continued at a solid level, and by year-end, the tariff situation had largely stabilized. Despite continued softness in the agricultural segment and ongoing tariff headwinds, we advanced the ramp-up of our facility in Hoffman Estates, USA. We are now better positioned to mitigate tariff impacts by direct customer deliveries out of the USA.

China delivered positive development during the period. DNE Laser, our second brand serving the entry-level segment, achieved higher order intake driven by the successful implementation of our dual-brand strategy, the expansion of our global dealer network, and our state-of-the-art manufacturing facility in Foshan, China. This facility enables more efficient, scalable production and faster delivery to customers worldwide.

The APAC region outside China remains challenging, with no clear signs of recovery yet.

Operating result (EBIT)

Bystronic reported an operating result (EBIT) of CHF –19.8 million in 2025 (2024: CHF –84.0 million, adjusted EBIT before restructuring and impairments of CHF –47.4 million), reflecting the positive effects of the significantly improved total operating costs. The Group closed the year with a net result of CHF –28.9 million (2024: CHF –67.6 million).

The significant improvement in total operating costs in 2025 is attributed to the restructuring and reorganization measures initiated in 2024. These included a leaner management structure and the adjustment of production capacities. By eliminating management layers and consolidating operations, Bystronic increased operational efficiency, enabled faster decision making, and gained better visibility into profitability and customer needs.

Bystronic Rofin – expanding into attractive growth markets

In 2025, we initiated the process to acquire the Tools for Materials Processing business unit from Coherent Corp., a transaction that was successfully completed in January 2026, establishing the new Bystronic Rofin business unit. Strategically, Rofin expands our technology portfolio with advanced laser applications and opens access to high potential growth markets in medical devices and semiconductors. The acquisition strengthens Bystronic's position as a full solutions partner, accelerates innovation, and diversifies our business to increase resilience across market cycles.

Net result, cash flow and dividends

The net result was CHF –28.9 million (2024: CHF –67.6 million). Earnings per class A registered share were CHF –14.00.

Operating free cash flow was CHF –18.8 million, reflecting the operating loss, disciplined working capital management, and cash outflows related to restructuring. In 2024, operating free cash flow was positively impacted by a reduction in net working capital, following a decline in net sales versus the prior year. Cash and cash equivalents and securities were CHF 330.7 million as of December 31, 2025.

The Board of Directors is proposing for the April 21, 2026, Annual General Meeting the distribution of a dividend of CHF 4.00 per class A registered share and CHF 0.80 per class B registered share. In total, CHF 8.3 million will be distributed to shareholders. The proposal reflects the continued solid liquidity situation of the Group, despite the loss, and is in accordance with the dividend policy.

Outlook

Bystronic does not expect a significant improvement in the overall market environment in 2026 but anticipates continued positive momentum from its sheet metal portfolio and the new Bystronic Rofin business. In 2025, that business generated net sales of around CHF 80 million and will be fully consolidated into Bystronic as of February 2026.

For 2026, Bystronic expects to return to net sales growth, supported by a higher backlog in the sheet metal business, and additional contributions from Bystronic Rofin. Combined with significantly improved overall operating costs, the company is taking the next step toward profitability.

Corporate Governance

Corporate Governance Report

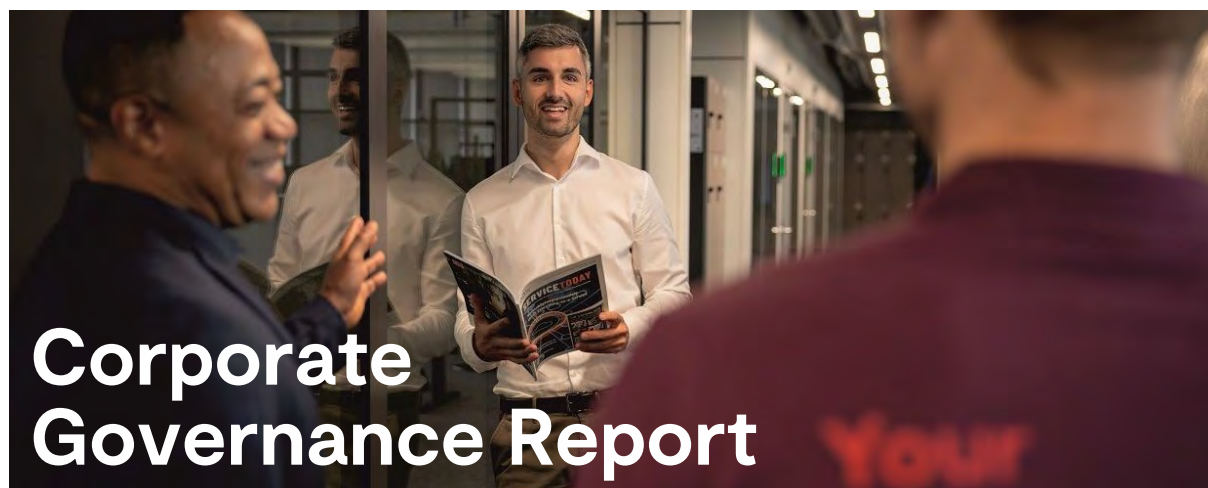
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The following information is provided in accordance with the Directive on Information relating to Corporate Governance, published by the Swiss Stock Exchange, as valid on January 1, 2026. Bystronic AG also acts in accordance with the principles set forth by the Swiss Code of Best Practice for Corporate Governance of *economiesuisse*, which it implements in a manner commensurate with its size and structure. It consistently adheres to the statutory and regulatory requirements and requires its employees to comply with the same.

Much of the following information was taken from the Articles of Association and the Organizational Regulations of Bystronic AG. These two documents can be found on [Bystronic AG's website](#).

1 Group structure and shareholders

1.1 Group structure

The Bystronic Group consists of two divisions, Systems and Service, and two business units, Tube & Bending and DNE. Bystronic AG, which is incorporated in Zurich, holds direct or indirect equity interests in the companies listed in [section 4.3 of the Financial Report](#).

Bystronic AG is the only listed company. The Bystronic class A registered share (securities code number 24401750 and ISIN CH0244017502) is listed on the Swiss Stock Exchange. On December 31, 2025, the stock market capitalization (class A registered shares) amounted to CHF 493,290,000, while the total capitalization (class A registered shares plus class B registered shares) amounted to CHF 558,900,000.

1.2 Significant shareholders

According to the disclosure reports made to the company pursuant to Art. 120 ff. of the Financial Market Infrastructure Act (FMIA) the shareholder group Auer, Schmidheiny, and Spoerry held more than 3% of the voting rights in Bystronic AG on the balance sheet date. The members of the shareholder group Auer, Schmidheiny, and Spoerry are listed in the Financial Report under [notes to the Financial Statements of Bystronic AG](#). Disclosure notifications can be reviewed on the [website of the Swiss Stock Exchange](#). On December 31, 2025, the share of voting rights in Bystronic AG held by the shareholder group Auer, Schmidheiny, and Spoerry amounted to 51.1%. This takes into account that treasury shares do not carry voting rights and have been deducted from the total outstanding shares.

UBS Fund Management (Switzerland) AG, Basel, holds 3.9% of the voting rights of Bystronic AG, according to a disclosure report dated May 8, 2024.

1.3 Cross shareholdings

Bystronic AG does not have any cross shareholdings with other companies that account for more than 5% of voting rights or capital.

2 Capital structure

2.1 Capital

According to Art. 3 of the Articles of Association of Bystronic AG, the share capital amounts to CHF 4,140,000, consisting of 1,827,000 class A registered shares with a nominal value of CHF 2.00 each and 1,215,000 class B registered shares with a nominal value of CHF 0.40 each. On December 31, 2025, the company did not have any conditional capital nor a capital band defined in the Articles of Association.

2.2 Changes in capital

There have been no changes in the share capital of Bystronic AG in the last three financial years.

2.3 Shares and participation certificates

Each share equates to one vote at the General Meeting. According to Art. 15 of the Articles of Association of Bystronic AG, at least two representatives from each share class are entitled to a seat on the Board of Directors. The dividend entitlement of class A registered shares and class B registered shares (voting shares, unlisted) corresponds to the ratio between the nominal values of the two share classes. The company endeavors to distribute a proportion of between one-third and one-half of the net result, taking into account the company's liquidity situation and future needs. The share capital has been fully paid up.

The company has not issued any participation certificates.

2.4 Dividend-right certificates

Bystronic AG has not issued any dividend-right certificates.

2.5 Limitations on transferability and nominee registrations

Shares in the company are not subject to any restrictions on transfer. Accordingly, nominees are also entered in the share register.

2.6 Convertible bonds and options

Bystronic AG has no outstanding convertible bonds, and neither the company itself nor its Group companies have issued options on Bystronic shares.

2.7 Shares of the company

	Class A registered shares, nominal value CHF 2.00	Class B registered shares, nominal value CHF 0.40	Total
Number of shares	1,827,000	1,215,000	3,042,000
Share capital in CHF	3,654,000	486,000	4,140,000

3 Board of Directors

3.1 Members of the Board of Directors

According to Art. 14 of the Articles of Association, the Board of Directors of Bystronic AG consists of between five and eight members. On December 31, 2025, it was composed of the following eight members:

Name	Function on the Board of Directors	Function on the Audit Committee	Function on the Human Resources Committee	Year of appointment
Dr. Heinz O. Baumgartner	Chairman			2021
Dr. Roland Abt	Member	Chairman		2014
Dr. Matthias Auer	Member	Member		1996
Inge Delobelle	Member		Member	2022
Urs Riedener	Member		Chairman	2014
Felix Schmidheiny	Member	Member		2023
Robert F. Spoerry	Member		Member	1996
Eva Zauke	Member			2023

On December 9, 2025, Bystronic AG announced that Dr. Matthias Auer and Urs Riedener would step down from the Board of Directors with effect as of the Annual General Meeting 2026.

The Board of Directors is proposing Daniel Bischofberger and Fabrice Billard for election as new members of the Board of Directors at the ordinary Annual General Meeting in April 2026.

3.2 Curriculum vitae, other activities and vested interests



Dr. Heinz O. Baumgartner

Dr. oec. (University of St. Gallen), born in 1963, a Swiss national, was Chief Executive Officer of Schweiter Technologies from 2008 to 2022 and has been a member of its Board of Directors since 2020 as well as Chairman since 2023. From 1996 to 2013, he was Chief Financial Officer of Schweiter Technologies. From 1992 to 1995, he was Controller at ABB Switzerland. Heinz O. Baumgartner is a member of the Board of Directors of United Machining Solutions AG. Further mandates are listed in [section 7.1 of the Compensation Report](#).



Dr. Roland Abt

Dr. oec. (University of St. Gallen), born in 1957, a Swiss national, is a member of the Board of Directors of Swisscom AG, Bern, and Chairman of the Board of Directors of Aargau Verkehr AG (AVA), Aarau. Between 2004 and 2017, he was Chief Financial Officer of Georg Fischer Ltd., Schaffhausen, which he joined in 1996, initially as Chief Financial Officer of the Agie Charmilles Group (1997 to 2004). He held various positions at the Eternit Group in Switzerland and Venezuela (1987 to 1996). Further mandates are listed in [section 7.1 of the Compensation Report](#).



Dr. Matthias Auer

Dr. iur. (University of Zurich), born in 1953, a Swiss national, has worked as an independent attorney and notary public in the Swiss canton of Glarus since 1981. Further mandates are listed in [section 7.1 of the Compensation Report](#).



Inge Delobelle

Lic. oec. (KU Leuven, Belgium), born in 1969, a Belgian national, has been Executive Vice President and Divisional CEO Industry at Grundfos in Bjerringbro (Denmark) since 2024. Previously, she was Chief Executive Officer of the BU Europe Africa at TK Elevator GmbH, Düsseldorf, from 2018 to 2023. She joined the ThyssenKrupp Group in 2001 and held various management positions in the services, steel, and elevator divisions. Among others, as CFO and later as CEO, she was responsible for the steel service activities of TK Service Acier (France) and the global access solutions business of TK Elevator. Prior to 2001, she was an investment banking consultant for seven years with the Metzler private bank, Frankfurt. Further mandates are listed in [section 7.1 of the Compensation Report](#).



Robert F. Spoerry

Dipl. Masch.-Ing. (ETH Zurich), MBA, born in 1955, a Swiss national, was Chairman of the Board of Directors of Sonova Holding AG, Stäfa, from 2011 until 2025. From 1998 until 2024, he was Chairman of the Board of Directors of Mettler-Toledo International Inc., where he also served as CEO from 1993 to 2007.



Urs Riedener

Lic. oec. (University of St. Gallen), born in 1965, a Swiss national, was Chief Executive Officer at Emmi, Lucerne, from 2008 until the end of 2022. Until 2008, he headed the marketing department and was a member of the General Directorate of the Federation of Migros Cooperatives MGB in Zurich. From 1992 until 2000, he worked for Kraft Jacobs Suchard and the Lindt & Sprüngli Group in various management roles. He is Chairman of the Board of Directors of the Emmi Group, a member of the Board of Directors of Sandoz Group AG, and SIG Group AG, and a member of the Advisory Board of Schwarz Unternehmens-treuhand KG. Further mandates are listed in [section 7.1 of the Compensation Report](#).



Felix Schmidheiny

Master's degree in international business and law (University of Sydney, Australia), born in 1984, a Swiss national, is a member of the Board of Directors of Piazza AG. Further mandates are listed in [section 7.1 of the Compensation Report](#).



Eva Zauke

University degrees in computer science (University of Bonn, Germany) and business management (University of Hagen, Germany), born in 1964, a German national, was Executive Vice President for Software Engineering at SAP SE and Engineering Location Lead for SAP headquarters in Walldorf (Germany) until the end of 2024. Since joining SAP in 2005, she has held various leadership positions along the value chain (product management, engineering, go-to-market, education). Her professional career began at Deutsche Bahn, followed by several consulting and management positions at Oracle and the Deutsche Post DHL Group. She is currently participating in the Chief Technology Officer Program at the Massachusetts Institute of Technology. Further mandates are listed in [section 7.1 of the Compensation Report](#).

No member of the Board of Directors has worked in an executive role for Bystronic within the last four years, and no member and no enterprise or organization represented by the members has any significant business relationship with the Group other than the status of a shareholder (see Financial Report, [notes to the Financial Statements of Bystronic AG](#)).

When filling future vacancies, attention will continue to be paid to ensuring that the Board has a diverse composition in terms of experience, industry know-how, geographical origin, and gender.

3.3 Rules contained in the Articles of Association regarding the number of permitted roles

According to Art. 28 of the Articles of Association of the company, no member of the Board of Directors may accept more than ten additional mandates, including no more than four in companies listed on the stock exchange. These restrictions do not apply to:

- Mandates in companies controlled by the company or that control the company.
- Mandates taken up by a member of the Board of Directors at the request of the company; no member of the Board of Directors may accept more than ten such appointments.
- Mandates in associations, charitable foundations, and pension foundations; no member of the Board of Directors may accept more than ten such appointments.

Mandates include appointments in the highest management body, executive management, or on the advisory board of another company with economic purpose. Mandates in different legal entities under joint control or with the same economic beneficiary are regarded as a single mandate.

3.4 Elections and terms of office

The date of first election to the Board of Directors of each member is listed in the table under [section 3.1 members of the Board of Directors](#). There are no limitations on the term of office. The Articles of Association do not contain any rules concerning the appointment of the Chairman, the members of the Compensation Committee, and the independent proxy that deviate from those prescribed by law.

3.5 Organization and definition of areas of responsibility

The powers and tasks of the Board of Directors are determined by law and the Articles of Association along with the Organizational Regulations of Bystronic AG. These can be found on the [company's website](#), however, without its annexes.

Board of Directors

The Board of Directors of Bystronic AG bears responsibility for the overall management, supervision, and control of the Group and its management, and monitors compliance with the applicable legal provisions. It decides on the strategic targets of the Group and the financial and human resources necessary to achieve the targets. In doing so, the Board of Directors reviews strategy and targets, particularly in the context of Bystronic's sustainability endeavors (ESG). In addition, the Board of Directors determines the values and standards of the Group and ensures that the duties towards shareholders and other stakeholders are complied with. In particular, the Board of Directors is vested with the following tasks:

- Overall management of the company and the setting of targets relating to corporate policy and culture; approval of the Group strategy and the strategic priorities of the individual business units.
- Approval of strategic and financial targets.
- Risk assessment for the Group.
- Decisions on the creation of new business units or the discontinuation of existing business units; approval of significant acquisitions, mergers, sales, or individual projects.
- Adoption of resolutions relating to contracts under which Bystronic AG acts as a party to mergers, spin-offs, transformations, or transfers of assets under the Mergers Act.
- The structuring of the accounting, financial control, and financial planning and the structuring of a comprehensive reporting system in line with the strategy.
- Approval of the applicable accounting standards, the framework for financial control, and the internal control system along with any significant changes to the same.
- Annual assessment and approval of the budget and strategic financial planning.
- Review and approval of the (annual and half-year) Financial Statements and reporting.
- Compilation of the Annual Report and the Compensation Report.

- Notification of the court in the event of overindebtedness.
- Monitoring of the liquidity and the solvency of the company.
- Determination of the organization and the issuance of Organizational Regulations for the Group.
- Review and approval of management principles, Group guidelines, and the Group management structure.
- Overall supervision of the persons entrusted with managing the company, including compliance with laws, the Articles of Association, and regulations, and the implementation of the resolutions of the Board of Directors and the General Meeting.
- Appointment and dismissal of members of the Executive Committee.
- Calling of Annual General Meetings and extraordinary General Meetings.
- Adoption of resolutions on proposals presented to shareholders.
- Implementation of resolutions adopted by shareholders.

On the basis of the Organizational Regulations, the Board of Directors has delegated the operational management of business to the Executive Committee under the leadership of the CEO. The members of the Executive Committee are responsible for the comprehensive operational management of their fields. They manage them in accordance with the strategy approved by the Board of Directors, strategic financial planning, and the annual budget.

Important transactions that exceed a certain financial threshold must be presented to the Board of Directors in advance for approval, such as, in particular, decisions concerning the incorporation or sale of subsidiaries, the acquisition or sale of equity interests, restructuring projects, investments, acquisitions, divestments, the purchase and sale of real estate, the conclusion of rental agreements and leases, consultancy contracts, cooperations and strategic partnerships, major projects (e.g. in the field of IT, development, and organization), and financial obligations, the threshold values for which lie between CHF 3 million and 10 million, depending on the transaction.

The Board of Directors is authorized to pass resolutions on all matters not delegated to or reserved for the General Meeting.

The Board of Directors convenes as often as business requires, but no fewer than five times a year. The CEO, the CFO, and the General Counsel, who also serves as the Secretary to the Board of Directors, are included in meetings of the Board of Directors unless decided otherwise by the Board of Directors in relation to individual agenda items. In addition, members of the Executive Committee and other executives, including on occasion external consultants, are involved with specific topics. In the reporting year, no external consultants were invited to meetings.

Chairman of the Board of Directors

The Chairman of the Board of Directors is elected by the Annual General Meeting. He coordinates the work of the Board of Directors, issues invitations to the meetings of the Board of Directors, determines the agenda, prepares the meetings together with the CEO, and chairs the meetings. He monitors the implementation of resolutions of the Board of Directors and the General Meeting.

Cooperation between the Board of Directors and its Committees

The Board of Directors may establish committees, unless such a right is vested by law in the General Meeting. It has established an Audit Committee with tasks relating to finances and auditing, and a Human Resources Committee with tasks relating to personnel and remuneration.

Subject to legal provisions, the Board of Directors determines the duties of the committees. The overall responsibility for the tasks transferred to the committees remains with the Board of Directors. However, if the Board of Directors has granted a committee decision-making powers in areas that lie outside the non-transferable powers of the Board of Directors, the committee concerned bears sole responsibility for such decisions. Ordinarily, no specific decision-making responsibilities are transferred to the committees. They, thus, bear responsibility for the preparation of decision-making and the detailed examination of the matters they are to handle, and they submit proposals to the Board of Directors or inform the Board of Directors of their conclusions. The Human Resources Committee and the Audit Committee report on their activities, their results and proposals at the subsequent Board of Directors meeting. The Board of Directors is informed immediately of important events. Minutes are taken of the meetings of the committees and their decisions, which are also presented to the other members of the Board of Directors.

Human Resources Committee

The Human Resources Committee consists of those members of the Compensation Committee appointed to the task in the course of the Annual General Meeting held on April 22, 2025; see [section 3.1 members of the Board of Directors](#). In addition to its members, the Chairman of the Board of Directors, the CEO, and the Chief HR Officer of the Group generally also participate in meetings of the Human Resources Committee in an advisory capacity, albeit, in the case of the latter two, not when it comes to the determination of their own salaries.

In addition to the tasks outlined in a general manner in Art. 21 of Bystronic AG's Articles of Association, the Compensation Committee, acting in its capacity as the Human Resources Committee, executes additional tasks. Its tasks, which are described in the Organizational Regulations, essentially comprise the following:

- Proposals to the Board of Directors concerning rules for the compensation of the Board of Directors and the Executive Committee.
- Examination of all compensation as to its permissibility.
- Recommendations to the Board of Directors concerning proposals to the Annual General Meeting on compensation.
- Proposals to the Board of Directors concerning the annual compensation of the members of the Board of Directors, the CEO, and the other members of the Executive Committee.
- Preparation of the Compensation Report and discussion of the report with the auditors; proposals to the Board of Directors.
- Assessment of share and option plans, bonus plans and other performance-related compensation, with regard to compliance with the relevant provisions of the Articles of Association and the payment of variable remuneration in cash or as options and shares to members of the Board of Directors and the Executive Committee; proposals to the Board of Directors.
- Proposals to the Board of Directors concerning the definition of the principles applicable to the selection procedure for candidates for election to the Board of Directors or the Executive Committee and preparation of a candidate shortlist.
- Preparation of medium- to long-term succession planning for members of the Board of Directors and members of the Executive Committee.
- Recommendations concerning nominations and dismissals of members of the Executive Committee for the attention of the Board of Directors.
- Monitoring of diversity across all management levels within the Group, focusing specifically on the promotion of female leaders to management and Executive Committee levels as well as future Board mandates.
- Assessment and promotion of management staff and internal talent.
- Assessment of staff retirement benefits.
- Recommendations, where applicable, and monitoring of compliance with Group objectives in relation to personnel.
- Responsibility for the rules relating to permitted external mandates of Executive Committee members; presentation of relevant proposals to the Board of Directors.

The Human Resources Committee convenes at least twice a year.

Additional details can be found in the activity report of the Human Resources Committee ([Human Resources Committee Report](#)).

Audit Committee

In addition to its members (see [section 3.1 members of the Board of Directors](#)), the Chairman of the Board of Directors, the CEO, and the CFO generally also attend the meetings of the Audit Committee in an advisory capacity. Upon invitation by the Chairman, the company's external auditors and internal auditors may also attend meetings or participate in the deliberations on individual items on the agenda. The essential tasks of the Audit Committee are described in the Organizational Regulations. They include in particular:

- Review and proposal to the Board of Directors concerning the organization of the accounting, financial control, and financial planning systems.
- Critical analysis of individual company and Group Financial Statements (Annual and Half-Year Financial Statements); discussion of these Financial Statements with the CFO and the external auditors; presentation of proposals to the Board of Directors concerning these Financial Statements.
- Assessment of the efficacy and performance of the external auditors and their fee, as well as their independence; decisions regarding the granting of additional mandates to the external auditors other than the auditing mandate; preparation of the proposal of the Board of Directors to the General Meeting regarding the election of the external auditors; proposals to the Board of Directors concerning the structure of the auditing mandate; assessment of the reports of external auditors (in particular the audit report and the comprehensive report pursuant to Art. 728b CO) and the discussion of these reports with the external auditors.
- Assessment of the functional capability of the internal control system, taking into account risk management, compliance, and internal auditing; discussion and definition of the audit program for the internal auditors; acceptance of reports from internal auditors and discussion of these reports with the internal auditors; reporting to the Board of Directors.
- Approval of the method used for assessing acquisitions within the Group and individual assessment of major acquisitions for the attention of the Board of Directors.
- Assessment of pension plans and the associated risks.
- Assessment of further Group solutions relating to finance, such as treasury, taxation, and dividend payments by the direct subsidiaries of Bystronic AG, etc.
- Assessment of initiatives by the Board of Directors relating to finance and accounting, such as the achievement of specific financial targets and key performance indicators (KPIs); reporting to the Board of Directors on the fulfillment of targets.
- Preparation of reporting in the area of ESG (Environmental, Social, Governance); proposals to the Board of Directors.

The Audit Committee meets upon invitation by its Chairman as often as required by business, but no less than three times a year. At its meetings, it deliberates, among other things, any annually recurring issues in accordance with the description of tasks provided above and on the basis of a standard agenda. Additional information can be found in the activity report of the Audit Committee ([report of the Audit Committee](#)).

Meetings of the Board of Directors and attendance

The Board of Directors and its committees hold regular meetings. These can be supplemented by additional meetings (in person or via video/telephone conference call). The meetings of the Board of Directors are called by the Chairman or at the request of a member of the Board of Directors. An outline of the various agenda items for each meeting is sent to all members in advance so that they can consider the matters to be discussed prior to the meeting.

At the meetings of the Board of Directors, a closed session is generally held, excluding the CEO and CFO or any other persons who are not members of the Board of Directors. Minutes of the Board of Directors' deliberations and the adopted resolutions are kept in writing.

The following table shows the number of meetings the Board of Directors and its regular committees held in 2025, the average duration of the meetings, and the attendance of the individual members of the Board of Directors.

Meetings of the Board of Directors and attendance	Prior to the 2025 AGM				After the 2025 AGM			
	Meeting	Video conference	Audit Committee	Human Resources Committee	Meeting	Video conference	Audit Committee	Human Resources Committee
Average duration (hours)	8.2	1.0	4.0	3.0	6.2	0.8	2.8	3.0
Number of meetings	1	1	1	2	5	1	3	2
Meetings attended								
Dr. Heinz O. Baumgartner	1	1	1	2	5	1	3	2
Dr. Roland Abt	1	1	1	-	5	1	3	-
Dr. Matthias Auer	1	-	1	-	5	1	3	-
Inge Delobelle	1	1	-	2	4	1	-	2
Urs Riedener	1	1	-	2	3	1	-	2
Felix Schmidheiny	1	1	1	-	5	1	3	-
Robert F. Spoerry	1	1	-	2	5	1	-	2
Eva Zauke	1	1	-	-	5	1	-	-

3.6 Information and control instruments for the Executive Committee

Bystronic has a sophisticated planning and information system. It is built from the bottom up with increasing consolidation.

The Board of Directors is informed in writing and orally of the strategies, plans, and results of the company. The Board of Directors receives a consolidated monthly statement outlining key figures and commentaries on relevant occurrences. In addition, the Board of Directors has access to the more detailed quarterly reports on the consolidated accounts for the Group. Each year, the Board of Directors is presented with the strategic financial plans and annual operational plans for approval.

At each meeting, the CEO informs the Board of Directors of the current business performance along with important developments, projects, and risks. In urgent cases, the Board of Directors is informed immediately.

In the reporting year, in addition to regular periodic deliberations on business development, the Board of Directors focused on other topics, such as:

- Realignment of DNE
- Kurago integration
- M&A projects
- U.S. tariffs
- Risk assessment for 2025
- Digitalization
- IT Strategy
- Innovation management
- Business unit Tube

Bystronic applies methodological processes which the Board of Directors uses as a basis for assessing the business outlook and strategic, financial, and operational risks. Alongside the financial reports and analyses, these constitute the internal control system and strategic and operational risk management. The Board of Directors receives an Annual Report concerning the risk situation drawn up by the CEO in consultation with the CFO and the General Counsel. This report is based on individual risk analyses conducted with each member of the Executive Committee.

Please refer to section 3.7 risk management for information on the risk management process. Each year, the Board of Directors also receives the management letter from the external auditors and the comprehensive report of the external auditors for the Board of Directors.

The internal audit was undertaken by the auditing company EY. The internal auditors perform the internal operational audit function within the Group and report to the Chairman of the Audit Committee. The coordination of the implementation of audit tasks has been delegated to the CFO. The internal auditors carry out audits within the Group in accordance with the audit plan proposed by the Audit Committee and approved by the Board of Directors. The audits cover the following topics on a rolling basis:

- Effectiveness of select operational processes at the Group level and of select Group companies
- Effectiveness of governance and risk management guidelines and processes
- Effectiveness of internal control processes
- Reliability and comprehensiveness of financial and operational information
- Compliance with legal, statutory, and internal regulations

The internal auditors draw up reports containing recommendations for local management and the Audit Committee. Local management states its position regarding the recommendations and, where it agrees with the recommendations, promptly implements corrective measures. If local management rejects a recommendation that the internal auditors and the CEO wish to pursue, it is implemented on the instructions of the Audit Committee. During the reporting year, three internal inspections were conducted by EY. The internal auditors attended three out of the four meetings of the Audit Committee.

Please refer to section 3.5 for details regarding the CEO and the CFO's attendance of meetings of the committees of the Board of Directors.

3.7 Risk management

Bystronic promotes an entrepreneurial mindset and a systematic focus on innovation and sustainable value for the customer, while carefully managing risks, fully complying with binding rules set out in the Code of Conduct, and taking appropriate account of the interests of all stakeholders. As is the case every year, the internal audit program was implemented in the reporting year.

In 2025, the Board of Directors again undertook an integral Group-wide risk assessment based on management reporting and the separate Group Risk Report, which covers the risk assessment process and the most significant risks. The risk management process, which has been implemented throughout the Group, encompasses the identification, evaluation, and qualitative appraisal of operational, financial, and strategic risks. It is combined with risk monitoring, action plans, and standardized reporting.

- **Competitiveness:** competition from low-cost suppliers in China, challenges of transforming from a vendor of individual machines to a provider of complex solutions
- **Cybersecurity:** risk of cyber attacks against Bystronic and its customers, ransomware attacks
- **Software:** challenges in the scalability of new software solutions
- **People and Culture:** competition to recruit and retain talent, declining employee engagement
- **Decoupling United States/China:** deterioration of the economic relations between the U.S. and China with the resulting increase in state control and regulation
- **Supply chains:** difficulties in procuring raw materials, components and transport capacities, dependence on individual suppliers
- **U.S. tariffs:** implementation of new tariffs by the U.S. administration with changing levels, uncertainties of the impact
- **Taxes:** risk of profit shifting and deemed profit taxation, risk of paying VAT in wrong jurisdictions

In addition, other topics are systematically taken into account at the Group level and at the level of the country subsidiaries, in particular with regard to environmental, social and governance (ESG) issues.

4 Executive Committee

4.1 Members of the Executive Committee

The members of the Executive Committee report directly to the CEO. The CEO reports to the Board of Directors. On December 31, 2025, the Executive Committee was comprised of the following persons:

Name	Function	In function since
Domenico Iacovelli	CEO	2024
Dr. Javier Perez	CFO	2025
Alberto Martinez	Chief Systems Officer	2018
Wilfried de Backer	Chief Service Officer	2025



Domenico Iacovelli

Information technologist FA, specialized in application development, business economist NDS HF, born in 1976, a Swiss national. Domenico Iacovelli has extensive management and leadership experience with over 20 years in the sheet metal industry, including 14 years as a CEO. Before joining Bystronic as CEO in 2024, he had served as CEO of the Schuler Group (an ANDRITZ Group company), the world's largest press manufacturer, since 2018. In April 2022, he was entrusted with additional duties and became a member of the ANDRITZ Executive Board. In this role, he was responsible for the Metals business area as well as the Group IT and Automation & Digitalization functions. From 2011 to 2017, he was CEO of Soutec, a company specializing in high-end laser welding applications. Since 2020, he has been the Chairman of the Board of Directors of Rey Technology Holding AG, Sirnach, and since 2025 he has been a member of the Board of Directors of Bobst Group SA, Mex.



Dr. Javier Perez

Industrial engineer (University of Siegen, Germany) and PhD in innovation management (University of St. Gallen, Switzerland), born in 1975, a Swiss and Spanish national, joined Bystronic as Chief Financial Officer in December 2025. Prior to joining Bystronic, he worked as CFO and interim CEO for the Gurit Group, and from 2018 to 2024 as CFO at the Mikron Group. Previously, he held various management positions as CFO and Head of Corporate Controlling at international companies.



Alberto Martinez

Computer engineer (University of Deusto), MBA (IESE Business School), born in 1971, a Spanish national, Alberto Martinez has headed the Systems division since October 2024. Previously, he had led Bystronic's Competence Center Software Services since September 2018 and the Solutions Center since August 2020. From August 2020 until December 2021, he also headed the global IT department. Prior to joining Bystronic, he worked as a software engineer for Lantek, was named Chief Technical Officer (CTO) in 1999 and CEO from 2004 to 2018. He has a profound knowledge of the sheet metal processing industry and more than 25 years of experience in the field of software.



Wilfried de Backer

Mechanical engineer (Eindhoven Technical University), MBA (Purdue University), born in 1969, a Dutch national, has headed the Service division since October 2025. Prior to joining Bystronic, he worked at Rieter AG from 2016 to 2025, most recently as Senior Vice President After Sales Operations. He began his professional career in 1998 at ABB Power Service (later acquired by Alstom and General Electric). There he held various management positions, including Head of Repair Services in the United Arab Emirates and Director of Manufacturing Operations in the United States. From 2011 to 2016, he was General Manager Spare Parts Delivery at General Electric Service in Switzerland. He has more than 25 years of international management experience in after sales, supply chain management, and transformation.

4.2. Rules contained in the Articles of Association regarding the number of permitted roles

According to Art. 28 of the Articles of Association of the company, no member of the Executive Committee may accept more than four mandates, of which no more than two may be in companies listed on the stock exchange. Any such mandate must be approved by the Board of Directors.

These restrictions do not apply to:

- Mandates in companies controlled by the company or that control the company.
- Mandates taken up by a member of the Executive Committee at the request of the company: no member of the Executive Committee may take up more than ten such mandates.
- Mandates in associations, charitable foundations, and pension foundations: no member of the Executive Committee may take up more than ten such mandates.

Mandates include appointments in the highest management body, on executive management, or the advisory board of another company with economic purpose. Mandates in different legal entities under joint control or with the same economic beneficiary are regarded as a single mandate.

4.3 Management contracts

Bystronic AG has not concluded any management contracts with companies or individuals from outside the Group.

5 Compensation, shareholdings, and loans

5.1 Content and procedure for the determination of compensation and shareholding programs

Regarding compensation and shareholdings of members of the Board of Directors and the Executive Committee, along with the content of, responsibility for, and procedures for the determination of the compensation and shareholding programs and any loans, credit, or retirement benefits, please refer to the [Compensation Report](#).

5.2 Rules contained in the Articles of Association

According to Art. 25 of the Articles of Association of Bystronic AG, the company may pay the members of the Executive Committee a performance-related remuneration in addition to their fixed remuneration. The performance-related remuneration paid in any given year shall not exceed 150% of the fixed remuneration for that year.

The performance-related remuneration is determined in accordance with company targets. It may particularly take the following elements into account:

1. The achievement of planned targets within the area of responsibility
2. The long-term development of the company
3. Staff management and development
4. The development of the company's share price compared to the market

The remuneration of the Board of Directors and the performance-related remuneration of the Executive Committee may be paid out in cash or by the allocation of shares in the company, as well as through conditional subscription rights to these shares. The shares must be acquired on the market.

The remuneration may be paid out by the company or by companies controlled by it.

According to Art. 24 of the Articles of Association of Bystronic AG, the company or the companies controlled by it are empowered to pay an additional amount of up to 35% of the relevant approved total amount for the duration of the remuneration periods already approved to any member who joins the Executive Committee or is promoted within the Executive Committee after remuneration has been approved by the General Meeting.

According to Art. 27 of the Articles of Association of Bystronic AG, the company or companies controlled by it may arrange for alternative retirement benefits for members of the Executive Committee who do not or who only partially benefit from Swiss pension funds.

The company or companies controlled by it may grant members of the Executive Committee loans up to the value of their annual remuneration.

The Articles of Association do not contain any rules on loans, credits, or retirement benefits with respect to members of the Board of Directors.

The General Meeting has the non-transferable power to approve the compensation of the Board of Directors and the Executive Committee ([Art. 9 sec. 5 of the Articles of Association of Bystronic AG](#)). According to Art. 23 of the Articles of Association, the General Meeting approves the proposals of the Board of Directors concerning the maximum total amounts a) of the direct and indirect remuneration of the Board of Directors for the period until the next Annual General Meeting; b) of the direct and indirect remuneration of the Executive Committee for the following financial year.

The Board of Directors may present additional or differing proposals relating to the same period or other periods for approval by the General Meeting.

6 Participation rights of shareholders

6.1 Restrictions on voting rights and representation

Each class A registered share and each class B registered share is entitled to one vote at the General Meeting of the company (Art. 13 Para. 1 of the Articles of Association). The shares of Bystronic AG are not subject to any restrictions on voting rights per the Articles of Association.

Pursuant to Art. 689b CO, a shareholder may represent his or her own shares at the General Meeting or arrange for them to be represented by a third party. According to Art. 689c CO, shareholders may also authorize the independent proxy to exercise their voting rights. In addition, according to Art. 13 of the Articles of Association, the Board of Directors issues rules of procedure concerning participation in and representation at the General Meeting. The company recognizes only one representative per share.

The Articles of Association of Bystronic AG do not contain rules on issuing instructions to the independent proxy.

According to Art. 13 Para. 4 of the Articles of Association, the General Meeting may be held by electronic means, without a meeting venue, by order of the Board of Directors. In this case, the Board of Directors ensures the following:

1. The identities of participants are established
2. Votes in the General Meeting are transmitted directly
3. Each participant can submit proposals and participate in the discussion
4. Voting results cannot be falsified

6.2 Quorums stipulated in the Articles of Association

According to Art. 11 of the Articles of Association of Bystronic AG, a resolution by the General Meeting requires the agreement of at least two-thirds of the votes represented and an absolute majority of the nominal value of shares represented for the objects designated accordingly by law as well as for the following circumstances:

- Any amendment of the Articles of Association
- Any change to the share capital
- Any restriction or cancellation of the subscription right
- The dissolution of the company

Except as provided by Art. 704 CO, the General Meeting passes all other resolutions and conducts elections by an absolute majority of the votes cast, excluding blank and invalid votes.

6.3 Calling of the General Meeting

According to Art. 8 of the Articles of Association of Bystronic AG, invitations to Annual General Meetings and extraordinary General Meetings are issued no later than 20 days prior to the date of the meeting by the Board of Directors or, where applicable, by the external auditors, by a notice published in the Swiss Official Gazette of Commerce. This must state the agenda items and the proposals of the Board of Directors and, where applicable, of the shareholders, who requested that a General Meeting be held or that a specific item be placed on the agenda. Proposals from the Board of Directors must be briefly justified, while those from shareholders may be briefly justified. The Board of Directors may amend excessively long or inappropriate justifications from shareholders after the deadline.

Shareholders representing at least 5% of the share capital or votes may request that a General Meeting be called.

6.4 Inclusion of items on the agenda

Art. 8 of the Articles of Association of Bystronic AG stipulates that shareholders representing at least 0.5% of the share capital or votes may request that a specific item be placed on the agenda. The request must be filed with the company at least 40 days before the General Meeting.

6.5 Entries in the share register

According to Art. 13 Para. 2 of the Articles of Association of Bystronic AG, the Board of Directors issues rules of procedure concerning participation in and representation at the General Meeting. The Board of Directors has resolved to set the cut-off date for participation in a General Meeting at five working days before the date of the meeting. The cut-off date is announced in the invitation to the shareholders. No entries may be made in the share register between the cut-off date and the date of the meeting. There are no rules that allow any exceptions to be granted.

7 Change of control and defensive measures

7.1 Duty to make an offer

According to Art. 6 of the Articles of Association of Bystronic AG, purchasers of shares in the company are not obligated to submit a public purchase offer in accordance with Art. 135 Para. 1 of the Financial Market Infrastructure Act (FMIA) (opting-out).

7.2 Change of control clauses

No agreements or plans contain any change of control clauses in favor of the members of the Board of Directors. Regarding the share rights granted to certain employees of Bystronic (restricted share units or performance share units), a change of control at the level of Bystronic AG, its merger with an unrelated company or the disposal of the entirety or majority of a business unit to an unrelated company would trigger the early vesting pro rata of the entitlement to Bystronic shares. Although in the latter case, this only applies to those employees whose employment relationship with a company of the Bystronic Group has ended for this reason or has been transferred to the new owner.

8 Auditors

8.1 Duration of mandate and term of office of chief auditor

The mandate of the statutory auditor has been carried out by PricewaterhouseCoopers, Zurich, since the 2023 financial year. The chief auditor is Blazenka Kovács.

8.2 Auditing fee

The auditing company PricewaterhouseCoopers charged the following fees for the reporting year:

- Auditing fees related to Bystronic: CHF 940,000
- Additional fees for organizational, tax and advice: CHF 29,000

8.3 Information tools pertaining to the external auditors

The Audit Committee, which was established by the Board of Directors to deal with financial and auditing matters, assesses the efficacy, performance, fees, and independence of the auditors, and reports to the Board of Directors on these matters on an annual basis. This assessment by the Audit Committee, in particular also regarding the quality of the auditing, is made during a discussion conducted following the presentation by the external auditors on the interim audit and the audit of the Annual Financial Statements. Without due cause, the Board of Directors does not carry out any further assessment.

When relevant to the subject matter, the auditors are invited to the meetings of the Audit Committee. During the reporting year, they attended all of the four meetings. In particular, the Audit Committee and the external auditors deliberate on the interim audit report, the Annual Financial Statements, the management letter, and the comprehensive report to the Board of Directors. The Chairman of the Audit Committee and the CFO inform the Board of Directors of the external auditors' reports, of their own assessment of the issues raised, and the measures taken. Together with the auditors, the Audit Committee establishes the key points of the audit for the attention of the Board of Directors.

The CFO prepares the matters in collaboration with the external auditors for deliberation by the Audit Committee and approval by the Board of Directors and implements the recommended improvement measures.

With respect to non-audit services, attention is paid to ensuring that PricewaterhouseCoopers is not awarded any contracts that could lead to a conflict of interest with the audit mandate or to an impairment of its independence. Please refer to [section 3.6 information and control tools for the Executive Committee](#) for further details regarding the information tools available to the internal auditors.

9 Information policy

According to Art. 32 of the Articles of Association of Bystronic AG, the publication organ of the company is the Swiss Official Gazette of Commerce. In the cases prescribed by law, the company sends written notices to the shareholders or usufructuaries registered at the time of the notice by conventional mail to the address recorded in the share register or, in accordance with instructions from the shareholders, to their e-mail address recorded in the share register.

The company publishes an Annual Report for the period ending December 31 and a Half-Year Report for the period ending June 30, and releases information on order intake and consolidated revenues for the previous end of quarter in April and October. Interested parties can access the relevant media releases on Bystronic AG's website ([pull service](#)) or subscribe to an e-mail distribution list ([push service](#)). A media and analysts conference is held for journalists and capital market participants in connection with the publication of the Annual Report and the Half-Year Report as per June 30. The Consolidated Financial Statements in accordance with Swiss GAAP FER provide a true and fair view.

This information and further details about the company, upcoming events, and contacts can be found on the [Bystronic AG's website](#).

10 Trading blackout periods

In accordance with the internal regulations on insider trading, general trading blackouts apply during the following periods:

- December 1 until the day after the publication of the Annual Financial Statements of Bystronic AG.
- July 1 until the day after the publication of the Half-Year Financial Statements of Bystronic AG.

These general blackout periods apply to the Board of Directors, the Executive Committee, the employees of Group Finance, and their support staff (e.g. assistants, consultants, and auditors).

In the context of special projects (primarily major acquisitions and divestments), the announcement of which could have a significant impact on the Bystronic share price, the CEO and CFO determine the point in time from which the persons involved are no longer permitted to trade Bystronic securities. The General Counsel maintains a list of insiders for the duration of the blackout period, which he updates in the event of changes and of which he notifies the insiders.

Report of the Human Resources Committee



“Restructuring and reorganization completed – adapting to new market realities.”

Urs Riedener

Chairman of the Human Resources Committee

The restructuring and reorganization needed to adapt to new market realities influenced strategic human resources actions in 2025. We maintained efficient, transparent, and reliable communication and ensured structured onboarding for new roles and tasks for new and existing employees. Our leadership team is now well positioned with the addition of Dr. Javier Perez as Chief Financial Officer and Wilfried de Backer as Chief Service Officer.

In anticipation of the acquisition of Coherent Corp.’s Tools for Material Processing business unit, we are focusing on the integration of Bystronic Rofin employees and providing them with appropriate support. This effort will continue in 2026.

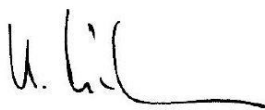
The Human Resources Committee held four regular meetings and was very involved in the recruitment and nomination of new members of the Board of Directors. The Human Resources Committee consists of Urs Riedener (Chair), Inge Delobelle and Robert F. Spoerry. As a rule, the Chairman of the Board of Directors, the CEO, and the CHRO of the Group also attend the meetings in an advisory capacity, except for agenda items relating to their own remuneration.

To successfully move from restructuring to profitable growth, we concentrated on the following areas:

- **Culture & leadership:** The focus was on greater collaboration and clear orientation, supported by a shared understanding and lived values. We launched a new cultural project to support this effort. Via a dedicated mindset journey, we are introducing new behaviors that will strengthen collaboration, entrepreneurship, and resilience. Leadership training courses provide our managers with a solid foundation and support successful onboarding.
- **Motivation & engagement:** The employee survey conducted in 2025 had a very high participation rate, which provided detailed insights into employee satisfaction and areas for improvement. Increasing employee engagement is a key priority for 2026, and concrete measures have been developed in collaboration with employees. In addition, our Employee Listening Landscape was expanded to include exit surveys.
- **Progress in HR processes and systems:** Bystronic has made good progress in further developing global HR processes in recent years. In 2025, a job architecture with a corresponding job catalog and job evaluation was introduced for all sales organizations. In addition, the performance management process was revised and expanded with new behaviors derived from the culture program.

The short-term incentive (STI) is harmonized across the Group for the Group Executive Committee and top management and is closely linked to Bystronic’s measurable business success. Eighty percent is based on the performance components of order intake, sales, EBIT, and operating free cash flow; 12% on the achievement of individual targets, and 8% on the achievement of ESG targets. A Group-wide harmonized STI approach also applies to upper management.

Although the company’s financial result was negative, the reorganization and restructuring are proceeding successfully and according to plan.

A handwritten signature in black ink, appearing to read 'U. Riedener'.

Urs Riedener

Chairman of the Human
Resources Committee



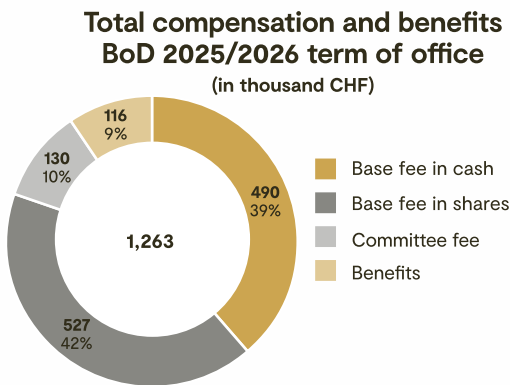
This report sets out the principles, programs, and the governance framework for the compensation of the Board of Directors and the members of the Executive Committee of the Bystronic Group. In addition, the report contains detailed information on the compensation programs and the compensation paid to the Board of Directors for the 2025/2026 term of office and the Executive Committee for the 2025 financial year.

The report conforms to the relevant regulatory provisions, i.e., the revised law on companies limited by shares, the SIX Swiss Exchange Directive on Information relating to Corporate Governance, and the Swiss Code of Best Practice for Corporate Governance published by the Swiss corporate union economiesuisse.

1 Compensation at a glance

1.1 Compensation of the Board of Directors

The total compensation and benefits of the Board of Directors (BoD), consisting of eight members, for the 2025/2026 term of office is shown below and will be paid out no later than ten days after the Annual General Meeting (AGM) on April 21, 2026.



The shares remain restricted for a period of four years from the date of transfer. In total, 1,993 class A registered shares will be transferred to the members of the Board of Directors in April 2026, at a share price of CHF 264.32 (average share price from November 1, 2025, through January 31, 2026).

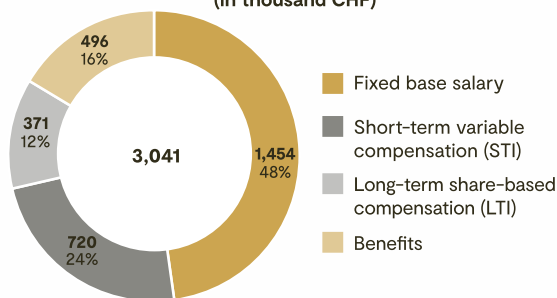
In order to ensure the independence of the members of the Board of Directors in the exercise of their supervisory function, their compensation does not contain any performance-related elements.

1.2 Compensation of the Executive Committee

As part of Bystronic's reorientation, the number of members in the Executive Committee was reduced from eight to four in 2024. The composition of the Executive Committee changed significantly during this reporting year.

Wilfried de Backer joined the company as Chief Service Officer on October 1, 2025, (equivalent to 0.30 FTE in the reporting year) and replaced Eamon Doherty, whose employment ends in June 2026. Additionally, Dr. Javier Perez joined as Chief Financial Officer on December 1, 2025, (equivalent to 0.08 FTE in the reporting year) and replaced Beat Neukom, who left the company on September 30, 2025, (equivalent to 0.75 FTE in the reporting year). The total compensation thus corresponds to 4.13 full-time equivalents (FTE).

**Total compensation and benefits
Executive Committee 2025 financial year**
(in thousand CHF)



For information on performance during the reporting year, please refer to [section 5.2](#).

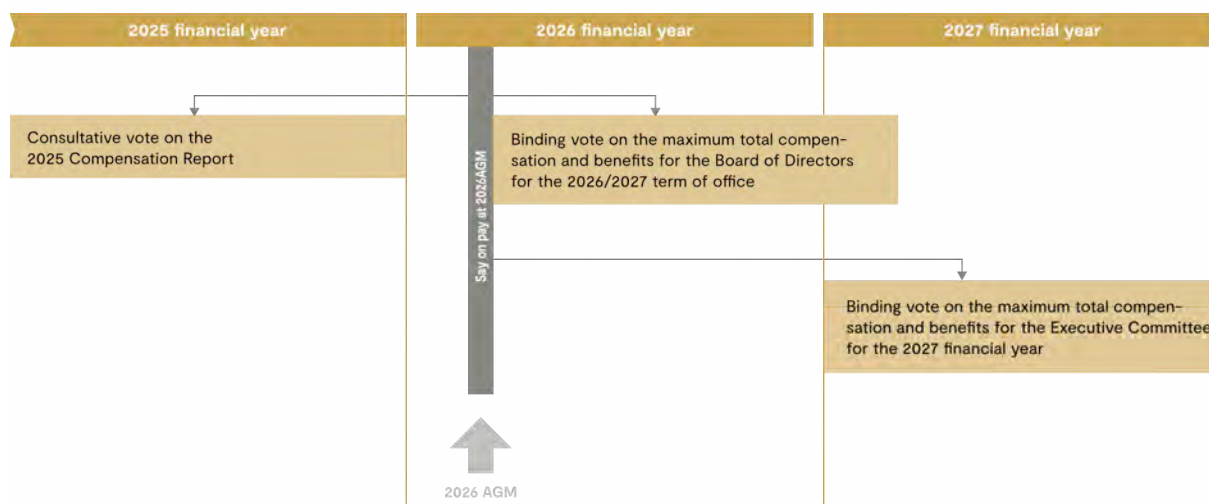
2 Governance framework for compensation

2.1 Involvement of shareholders

The shareholders play a key role in matters relating to compensation. In particular, the General Meeting (GM) approves the Articles of Association and their compensation-related provisions. These are available [here](#) and cover the following:

- Election for a one-year term of office of the members of the Compensation Committee (Art. 21).
- Approval of the maximum total compensation and benefits for the members of the Board of Directors for the next term of office (Art. 23 para. 1 let. a).
- Approval of the maximum total compensation and benefits for the members of the Executive Committee for the following financial year (Art. 23 para. 1 let. b).
- Additional compensation for new members of the Executive Committee (Art. 24).
- Principles governing the variable, performance-related compensation of the Executive Committee and Board of Directors (Art. 25).
- Provisions regarding employment contracts of members of the Executive Committee (Art. 26).
- Rules concerning loans and retirement benefits for members of the Executive Committee (Art. 27).

The following chart illustrates how the General Meeting (GM) exerts its “say on pay”.



2.2 Compensation Committee

2.2.1 Organization and tasks

The Compensation Committee consists of three members of the Board of Directors. The General Meeting individually elects the members of the Compensation Committee for a term of office that concludes at the next Annual General Meeting. In its function as the Human Resources Committee, the Compensation Committee also assumes other responsibilities. At the Annual General Meeting on April 22, 2025, Urs Riedener (Chairman), Inge Delobelle, and Robert F. Spoerry were elected to the Compensation Committee.

The Compensation Committee meets as often as business requires, but at least three times a year. The tasks and responsibilities of the Compensation Committee comprise, among others, the following:

- Periodic review of Bystronic’s compensation policy and principles.
- Review of the compensation system, the resulting payments to the Executive Committee, and their compliance with the Articles of Association.
- Annual review of the individual compensation of the CEO, the members of the Executive Committee, and the members of the Board of Directors, as well as regular benchmarking with regard to compensation.
- Review and approval of target setting and the performance assessment of the CEO and the other members of the Executive Committee.
- Preparation of the Compensation Report and deliberation discussion of the report with the external auditors.

As a general rule, the Chairman of the Board of Directors, the CEO, and the CHRO participate in meetings of the Compensation Committee in an advisory capacity. The Committee Chairman may invite other individuals as appropriate. The CEO does not attend the meeting when his own compensation is the subject of deliberation.

After each meeting, the Chairman of the Compensation Committee reports to the Board of Directors on the activities of the committee. The minutes of the committee meetings are made available to all members of the Board of Directors.

The following table summarizes the decision-making powers for the most important compensation-related topics as stipulated by the Articles of Association and the Organizational Regulations of Bystronic AG:

Decision-making powers	CEO	Compensation Committee	Board of Directors	General Meeting
Topic				
Compensation policy		proposes	approves	
Maximum total compensation and benefits of the Board of Directors		proposes	proposes	approves (binding vote)
Individual compensation of the members of the Board of Directors		proposes	approves	
Maximum total compensation and benefits of the Executive Committee		proposes	proposes	approves (binding vote)
Individual compensation and terms of employment of the CEO		proposes	approves	
Individual compensation and terms of employment of the members of the Executive Committee	proposes	proposes	approves	
Compensation Report		proposes	approves	approves (consultative vote)

The approval of the actual compensation of the Board of Directors and the Executive Committee within the limits of the maximum compensation approved by the General Meeting is the responsibility of the Board of Directors.

2.2.2 Focus topics in the reporting year

In the reporting year, the Compensation Committee held four meetings. They were conducted according to the annual schedule, focusing on the following topics:

Review of the compensation strategy, policy, and governance
Proposals to the Board of Directors concerning the compensation policy for the members of the Board of Directors and the Executive Committee
Preparation of proposals for the General Meeting regarding the maximum total compensation and benefits for the Board of Directors and the Executive Committee for the attention of the Board of Directors
Preparation of the Compensation Report for approval by the members of the Board of Directors
Compensation of the Board of Directors
Recommendation on compensation for the next term of office
Compensation of the Executive Committee
STI 2024: Evaluation of performance target achievement
STI 2025: Determination of target values
LTI 2025–2028: Specification of (long-term) target values; review of calculation at the fair value of allocated PSUs

Further information on the tasks and activities of the Compensation Committee/Human Resources Committee is in the Corporate Governance Report, [section 3.5 organization and definition of areas of responsibility](#) and in the [Human Resources Committee Report](#).

3 Compensation system and elements

3.1 Compensation of the Board of Directors

3.1.1 Principles of the compensation policy

The compensation of the Board of Directors is guided by the market situation and specific tasks. In order to ensure the independence of the members of the Board of Directors in the exercise of their supervisory function, the compensation of the Board of Directors does not contain any performance-related elements. The compensation is based on the term-of-office compensation system and is partially paid out in the form of Bystronic AG shares, which remain restricted for a period of four years. This long-term restriction is aimed at ensuring sustainable Corporate Governance and aligning compensation with the interests of the shareholders.

The structure and amount of the compensation of the Board of Directors are periodically reviewed on the basis of publicly available information on comparable Swiss companies. Comparable companies are defined as globally active companies listed in Switzerland of comparable size (market capitalization, sales, number of employees) and complexity. No such review was conducted in the reporting year.

3.1.2 Compensation mix

The compensation of the members of the Board of Directors is comprised as follows:

Base fee in cash
+ Base fee in shares
+ Committee fee
= Total compensation
+ Benefits
= Total compensation and benefits

3.1.3 Description of compensation elements

Base fee in cash

The annual base fee in cash is CHF 175,000 for the Chairman of the Board of Directors and CHF 45,000 for the other members of the Board. It is paid out annually for the previous term of office no later than ten days after the Annual General Meeting.

Base fee in shares

The annual base fee in the form of restricted shares is CHF 175,000 for the Chairman of the Board of Directors and CHF 50,000 for the other Board members.

The number of shares allocated is calculated on the basis of the regulatory entitlement divided by the average share price from November 1 to January 31 of the corresponding term of office (rounded up to the next whole number of shares). The transfer takes place no later than ten days after the Annual General Meeting. The allocated shares remain restricted for a period of four years. In the event that a member of the Board of Directors steps down, the allocated shares remain restricted until the four-year period has expired.

The allocated shares are repurchased on the market or taken from the company's treasury shares.

Committee fee

The annual committee fee in cash is CHF 30,000 for the Chairman of the committee and CHF 15,000 for the other members. The Board of Directors has established two committees: the Audit Committee and the Human Resources Committee. The committee fee is paid out annually in cash no later than ten days after the Annual General Meeting.

Benefits

The benefits comprise the employee's share of the statutory Swiss social security contributions on the total compensation (monetary benefit), the employer's share of the statutory social security contributions as far as these are standard compensation, as well as lump-sum expenses. The latter amount is CHF 6,000 per year for the Chairman of the Board of Directors and CHF 5,000 per year for the other Board members. The Board of Directors' fees are not insured in the pension fund of Bystronic AG.

The chart below provides a summary of the compensation model:

Board of Directors compensation per year / term of office (in thousand CHF)	Base fee in cash	Base fee in shares	Committee fee in cash	Lump-sum expenses
Position				
Chairman of the Board of Directors	175	175		6
Member of the Board of Directors	45	50		5
Chairman of the Audit Committee			30	
Member of the Audit Committee			15	
Chairman of the HR Committee			30	
Member of the HR Committee			15	

3.2 Compensation of the Executive Committee

3.2.1 Principles of the compensation policy

The principles of Bystronic's compensation policy support performance orientation within the company, a strategy geared toward profitable and capital-efficient growth, and the core values of responsibility, innovation, respect, and financial soundness. The principles comprise the following:

Market orientation The compensation level must be competitive and in line with the relevant market environment. Competitiveness is systematically reviewed on a regular basis.	Performance orientation A significant portion of the compensation must be linked to the financial success of the company, the successful implementation of the strategy, and the individual performance.
Sustainability and long-term value creation A substantial portion of compensation must be paid in the form of shares in order to align the interests of the management with those of the shareholders. In addition, the compensation must incentivize and reward responsible behavior towards other stakeholders – in particular customers, employees, suppliers, and the general public.	Transparency and fairness The compensation must be structured in a comprehensible, transparent, and fair manner.

When determining the target compensation for the members of the Executive Committee, the level of compensation paid by other international industrial companies based in Switzerland is taken into consideration, insofar as these companies are comparable in terms of complexity, size (market capitalization, sales, number of employees), and geographical reach.

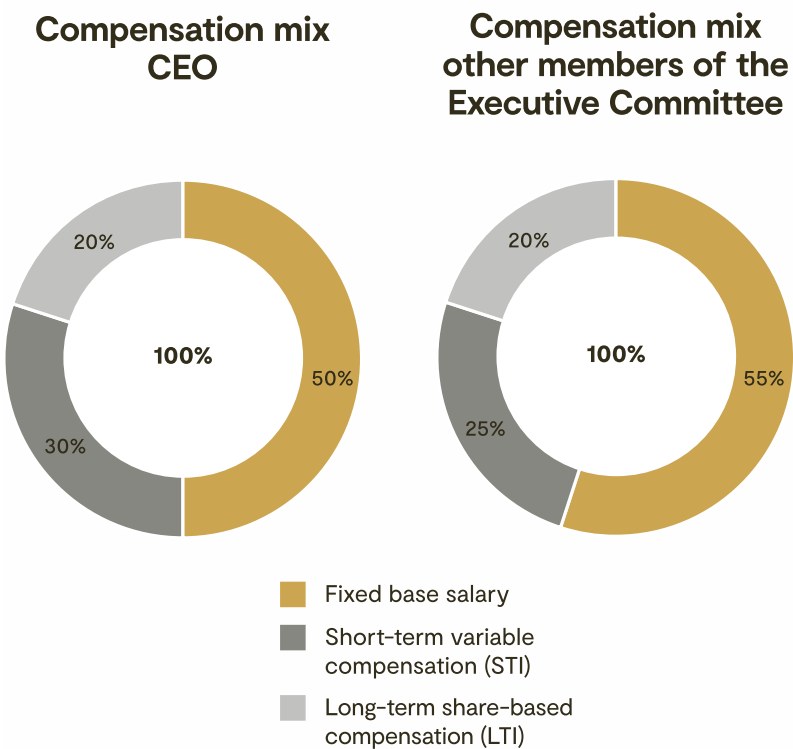
For this purpose, the compensation of the Executive Committee is periodically reviewed on the basis of compensation studies conducted by third-party providers or publicly available data, such as compensation disclosed in the annual reports of relevant companies. No such review was conducted in the reporting year.

3.2.2 Compensation mix and overview of the variable compensation plans

The annual compensation of the members of the Executive Committee is comprised as follows:

Fixed base salary
+ Short-term variable (target) compensation (Short-Term Incentive STI)
+ Long-term share-based (target) compensation (Long-Term Incentive LTI)
= Total (target) compensation
+ Social security and pension plans
+ Fringe benefits
= Total (target) compensation and benefits

The following chart shows the composition of the total target compensation for the CEO and the other members of the Executive Committee in the reporting year.



The structure of the variable compensation plans plays a key role in the compensation policy. The following overview summarizes this structure for the members of the Executive Committee; the plans are described in detail in section 3.2.3:

Variable Compensation Plans	Short-Term Incentive (STI) Plan	Long-Term Incentive (LTI) Plan
Purpose	- Incentivization of individual performance - Achievement of overriding financial results	- Alignment of Executive Committee member interests with shareholder interests - Participation in Bystronic profit development - Retention of Executive Committee members to Bystronic
Eligible participants	All members of the Executive Committee	All members of the Executive Committee
Target value in % of total target compensation	- CEO: 30% - Other members: 25%	- CEO: 20% - Other members: 20%
Maximum value (cap) in % of target value	150%	200% ¹
Maximum value (cap) in % of annual base salary ²	- CEO: 90% - Other members: 68%	- CEO: 80%¹ - Other members: 73%¹
Minimum value in % of target value	0%	0%
Key performance indicators (KPIs)	- Order intake (Group) - Net sales (Group) - Operating result (Group) - Operating free cash flow (Group) - ESG targets (Group) - Individual, qualitative objectives	- Earnings per share (EPS) - Relative total shareholder return (rTSR)
Payout type	In cash	In Bystronic AG shares
Payout date	In April of the following year	After the 3-year vesting period
Effect of termination of employment and retirement	- Resignation by an employee and ordinary termination by the employer: employee retains pro-rata entitlement; maximum payout factor at 100% - Termination for cause by the employer: employee entitlement forfeited - Retirement: employee retains pro-rata entitlement	- Resignation by an employee and termination for cause by the employer: forfeiture of all unvested PSUs - Ordinary termination by the employer: pro-rata entitlement (until the end of the employment contract with regard to the vesting period) for PSUs allocated more than 12 months prior to the end of the employment contract - Retirement: pro-rata entitlement (until the end of the employment contract with regard to the vesting period) for all allocated PSUs
Clawback clause	Yes	Yes

¹ Excluding any rise in share price during the vesting period.

² The performance-related compensation (STI + LTI) provided for in any given year may not exceed 150% of the fixed compensation for that year, according to Art. 25 of the Articles of Association.

3.2.3 Description of compensation elements

Fixed base salary

The fixed base salary is paid out monthly in cash based on the following factors:

- Scope and responsibilities of the respective function (job profile)
- Market value of the role (competitiveness)
- Internal peer comparisons (internal equity)
- Individual profile of the employee (skills, expertise, experience, and performance)

Short-term variable compensation (STI)

Bystronic's short-term variable compensation incentivizes the achievement of annual financial Group targets in terms of profit, sales, order intake and capital, as well as the achievement of Group-wide ESG targets and individual performance targets. All targets are agreed to in writing at the beginning of the year. In addition to quantitative targets, qualitative targets of a strategic nature can also be applied as individual targets, such as the implementation of important projects relating to market, product, and human resources development, or M&A activities.

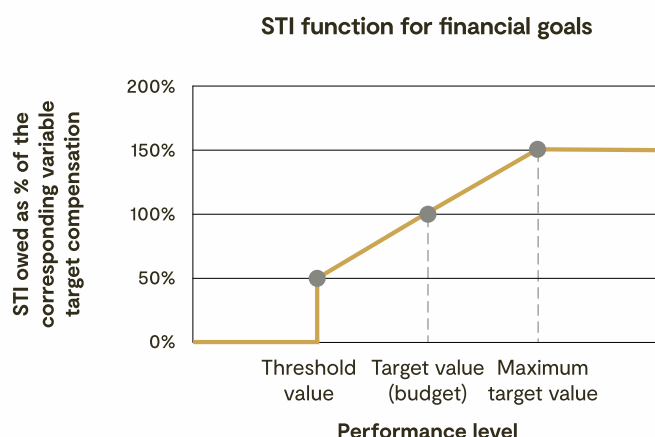
The short-term variable target compensation amounts to 30% of the total target compensation for the CEO and 25% for other members of the Executive Committee.

The weighting of financial targets for members of the Executive Committee is 80%; the remaining 20% is split into 40% for ESG targets and 60% for individual qualitative targets. The targets are set annually within the framework of the budget and the individual target agreement process. For all members of the Executive Committee, the financial performance parameters are determined exclusively on the basis of Bystronic's consolidated figures, thereby reinforcing collaboration, alignment, and cohesive decision-making in the best interests of the company.

Financial performance measurement is based on the following performance parameters (KPIs):

- Order intake
- Net sales
- Operating result (EBIT)
- Operating free cash flow

For the financial targets, the target value generally reflects the budget target and is paid out at 100% upon target attainment; for each individual parameter, any deviations from the budget cause upward or downward adjustments using the following linear function, so that payments may vary between 0% and 150% (cap). If the operating result (EBIT) achieved is negative, the "cap" for this target is 100%.



Based on the results achieved, the payment factor is determined for each agreed performance indicator. The weighted average of all payment factors will be multiplied by the short-term variable target compensation to derive the actual STI amount owed.

For further information on target values and results from the reporting year, please refer to [section 5.2.1](#).

Long-term share-based compensation (LTI)

In 2023, the Performance Share Unit (PSU) Plan was applied for the first time to members of the Executive Committee. The PSU Plan replaced the two previous long-term incentive plans, namely the Restricted Share Plan (RSP) and the Restricted Share Unit (RSU) Plan. The RSP was used for the former CEO and the RSU Plan for the other members of the Executive Committee. The final RSUs vested in April 2025. For a more in-depth description of both plans, please refer to the 2022 Compensation Report. [Section 5.6](#) provides detailed information on the status of all ongoing and settled plans.

The aim of the PSU Plan implemented in 2023 is the close alignment of Executive Committee members' interests with those of shareholders. In particular, the plan is meant to reward high entrepreneurial achievement, foster long-term, sustainable Corporate Governance, and ensure that members of the Executive Committee participate in the long-term performance of the company.

Under the PSU Plan, members of the Executive Committee will be granted a specific number of Performance Share Units (PSU) annually. A PSU entitles the plan participant to receive one share in the future, provided certain conditions are fulfilled at the end of the vesting period. The number of allocated PSUs is based on the target LTI value guaranteed by the employment contract. The target LTI value amounts to 20% of the total target compensation for all Executive Committee members, including the CEO. The target LTI value divided by the fair value of the PSUs on the day of allocation yields the number of PSUs granted, whereby fractions are rounded up to the next whole number. The fair value of the PSUs will be determined by a specialized consulting firm according to internationally recognized methods. The allocation for the reporting year took place on May 1, 2025.

The allocated PSUs are vested after three years: for each vested PSU, the plan participant is entitled to a class A registered share of Bystronic AG. The number of PSUs actually vested depends on the fulfillment of two specific performance targets over the three-year performance period. The following two performance factors are calculated based on actually achieved results:

- Earnings per share factor (EPS factor)
- Relative total shareholder return factor (rTSR factor)

Both factors have a weight of 50% in the calculation of the performance factor; accordingly, the performance factor is the simple average of the EPS and rTSR factors. Both factors fall between a minimum of 0% and a maximum of 200%.

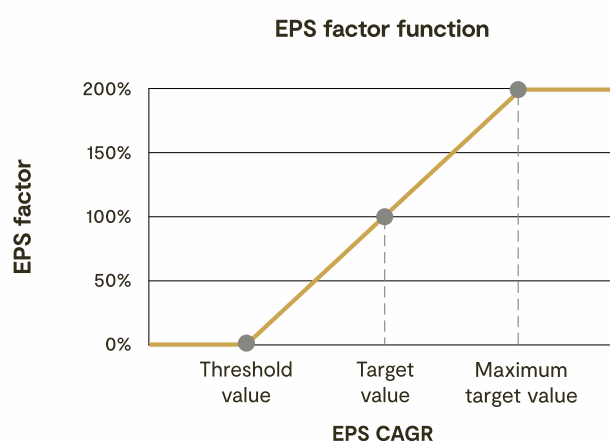
EPS factor

The average annual EPS growth rate (EPS CAGR) is calculated by comparing the EPS in the third year of the performance period with the EPS of the financial year preceding the allocation of PSUs.

The Board of Directors determines the target values (target value, threshold value, maximum target value) for profit growth in view of the medium- and long-term corporate strategy.

If only the threshold value is reached or if the threshold value is not reached, the EPS factor is 0%; when the target value is attained, the EPS factor is 100%; and if the maximum target value is achieved or exceeded, the EPS factor is 200%. The EPS factor for all results between the target values is determined through linear interpolation.

The EPS factor function is thus modeled as follows:



Bystronic takes responsibility for disclosing target achievement and the corresponding payouts at the end of each vesting period. Target achievements relating to the 2023–2026 plan cycle are disclosed in [section 5.2.2](#).

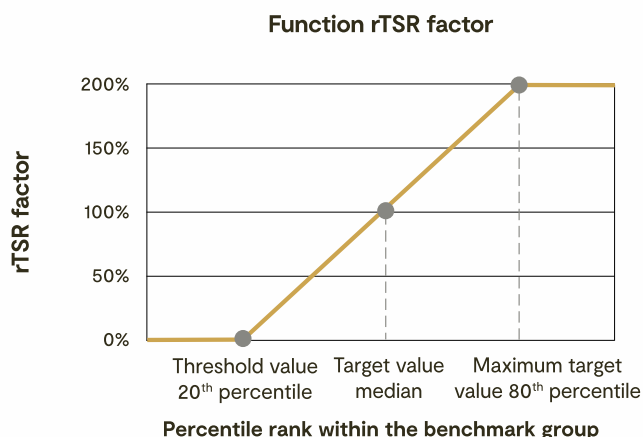
rTSR factor

The rTSR factor refers to the total shareholder return (TSR) achieved in comparison to TSRs of other Swiss industrial companies (= benchmark group). The benchmark group consists of all companies that are part of the "Swiss Performance Index SPI® Industrials." Performance is measured by means of a percentile ranking.

The total shareholder return, as a percentage, is determined by dividing the volume-weighted average price (VWAP) for the month of December in the last financial year of the performance period by the volume-weighted average price for the month of December in the financial year preceding the PSU allocation. In addition to share price development, the TSR calculation takes into account dividends paid out during the performance period. To this end, it is assumed that these were reinvested in shares of the corresponding company at the time of distribution. All calculations for rTSR will be carried out by an independent consulting firm specializing in this matter.

The target value (rTSR factor 100%) is attained when the total shareholder return of the company corresponds to the median TSR within the benchmark group. The maximum target value (rTSR factor 200%) is achieved when the total shareholder return of the company reaches or exceeds the 80th percentile within the benchmark group. The threshold value (rTSR factor 0%) is met when the total shareholder return of the company reaches or falls below the 20th percentile within the benchmark group. The rTSR factor for all results between the target values is determined through linear interpolation.

Independent from the percentile ranking attained, the rTSR factor is limited to 100% if the TSR of the company over the course of the performance period is negative.



Conditions in case of termination of employment

If the employment relationship with the plan participant is terminated prior to the expiration of the vesting period due to resignation by the plan participant or due to termination for cause by the employer, all unvested PSUs are forfeited as of the end of the employment contract. All vested restricted shares remain blocked until the end of the regular blocking period.

If the employment relationship with the plan participant is terminated prior to the expiration of the vesting period due to ordinary termination by the employer, all PSUs allocated less than 12 months prior to the end of the employment contract are forfeited. For all PSUs allocated more than 12 months prior to the end of the employment contract, the plan participant retains a pro rata entitlement based on the period from the day of allocation up until the end of the employment contract. The performance factor is determined based on interim results and is capped at 100%. The settlement is paid out in cash at the end of the employment contract. In contrast, all vested restricted shares remain blocked until the end of the regular blocking period.

If the employment relationship with the plan participant is terminated prior to the expiration of the vesting period due to retirement, the plan participant retains a pro rata entitlement to all allocated PSUs based on the period from the day of allocation up until the end of the employment contract. The settlement is paid out regularly after the expiration of the vesting period and based on the actual results for the performance factor. The settlement is paid out in shares. Of the transferred shares, 60% will be restricted for two years starting from the day of vesting, as is the case for regular plan participants.

For future grants, the Board of Directors intends to reduce the complexity of the conditions described above. Plan participants shall remain eligible for early vesting, except in the event of termination by the employer for cause. Any settlement shall be made in cash and prorated based on the period from the allocation date through the end of the employment contract. Any shares subject to a blocking period shall remain blocked beyond the termination of employment.

Social security and pension plan

Members of the Executive Committee are covered by social security in accordance with legal regulations, and they participate in the social security and pension plans available in their country of employment. The primary purpose of this is to ensure a reasonable standard of living for the members of the Executive Committee and their dependents after retirement or in the event of sickness, disability, or death.

The salaries of members of the Executive Committee with Swiss employment contracts are insured up to a defined threshold value through the regular pension fund for employees in Switzerland, as well as through a separate pension plan for additional amounts. The plan benefits exceed the statutory provisions of the Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and correspond to the standard market practice of other industrial companies in Switzerland.

Members of the Executive Committee with an employment contract outside of Switzerland are insured according to local market practice and legislation.

Fringe benefits

In addition, members of the Executive Committee are entitled to certain fringe benefits that are customary in the respective countries of employment, such as a company car and other benefits in kind. Executive Committee members in Switzerland also receive a lump sum expense allowance in line with the applicable expense regulations approved by the tax authorities.

3.3 Contractual terms for members of the Executive Committee

The employment contracts of members of the Executive Committee are concluded for an indefinite period and stipulate a notice period of twelve months for the CEO and as a general rule, six months for the remaining members of the Executive Committee. They do not contain any agreement on severance payments or change-of-control clauses.

4 Compensation of the Board of Directors

The following tables in Sections 4.1 and 4.2 list the compensation of individual members of the Board of Directors for the 2025/26 (8 members) and 2024/25 (8 members) terms of office.

4.1 Compensation of the Board of Directors for the 2025/2026 term of office

Compensation of Board of Directors for the 2025/2026 term of office (audited)	Base fee in cash	Base fee in shares ¹	Committee fee / Additional fee	Benefits	Total compensation and benefits ²
	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand
Dr. Heinz O. Baumgartner Chairman of the Board of Directors	175.0	175.2	0.0	42.0	392.2
Dr. Roland Abt ³ Chairman of the Audit Committee	45.0	50.2	30.0	10.5	135.7
Dr. Matthias Auer Member of the Audit Committee	45.0	50.2	15.0	9.6	119.8
Inge Delobelle Member of the Human Resources Committee	45.0	50.2	15.0	5.0	115.2
Urs Riedener Chairman of the Human Resources Committee	45.0	50.2	30.0	18.2	143.4
Felix Schmidheiny Member of the Audit Committee	45.0	50.2	15.0	16.5	126.7
Robert F. Spoerry Member of the Human Resources Committee	45.0	50.2	15.0	9.6	119.8
Eva Zauke	45.0	50.2	10.0 ⁴	5.0	110.2
Total	490.0	526.6	130.0	116.4	1,263.0

¹ In total, 1,993 shares will be transferred to members of the Board of Directors in April 2026, at the average share price of CHF 264.32; the transferred shares will remain restricted for a period of four years.

On April 15, 2025, the blocking on a total of 514 shares belonging to members of the Board of Directors at the time, as well as former members, was lifted; these were transferred in 2021.

² The total compensation will be paid out to members of the Board of Directors in April 2026.

³ Dr. Roland Abt has been Chairman of the Board of Trustees of the Conzzeta Pension Fund since 2022. This function entitles him to a gross annual fee of CHF 15,000, which is not included in the amount disclosed.

⁴ The Board of Directors granted its member Eva Zauke an additional gross fee of CHF 10,000 as compensation for her additional efforts consulting in the area of software solutions.

4.2 Compensation of the Board of Directors for the 2024/2025 term of office

Compensation of Board of Directors for the 2024/2025 term of office (audited)	Base fee in cash	Base fee in shares ¹	Committee fee/ Additional fee	Benefits	Total compensation and benefits ²
	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand
Dr. Heinz O. Baumgartner Chairman of the Board of Directors	175.0	175.3	0.0	46.2	396.5
Dr. Roland Abt ³ Chairman of the Audit Committee	45.0	50.1	30.0	10.5	135.6
Dr. Matthias Auer Member of the Audit Committee	0.0 ⁴	50.1	15.0	7.1	72.2
Inge Delobelle Member of the Human Resources Committee	45.0	50.1	15.0	5.0	115.1
Urs Riedener Chairman of the Human Resources Committee	45.0	50.1	30.0	19.7	144.8
Felix Schmidheiny Member of the Audit Committee	0.0 ⁴	50.1	15.0	12.0	77.1
Robert F. Spoerry Member of the Human Resources Committee	0.0 ⁴	50.1	15.0	7.4	72.5
Eva Zauke	45.0	50.1	10.0 ⁵	17.1	122.2
Total	355.0	526.0	130.0	125.0	1,136.0

¹ In total, 1,659 shares were transferred to members of the Board of Directors in April 2025, at the average share price of CHF 316.91; the transferred shares will remain restricted for a period of four years.

On April 23, 2024, the blocking on a total of 535 shares belonging to members of the Board of Directors at the time, as well as former members, was lifted; these were transferred in 2020.

² The total compensation was paid out to members of the Board of Directors in April 2025.

³ Dr. Roland Abt has been Chairman of the Board of Trustees of the Conzzeta Pension Fund since 2022. This function entitles him to a gross annual fee of CHF 15,000, which is not included in the amount disclosed.

⁴ Dr. Matthias Auer, Felix Schmidheiny, and Robert F. Spoerry, as members of the shareholder group Auer, Schmidheiny, and Spoerry, waived their base salary in cash for the 2024/2025 term of office.

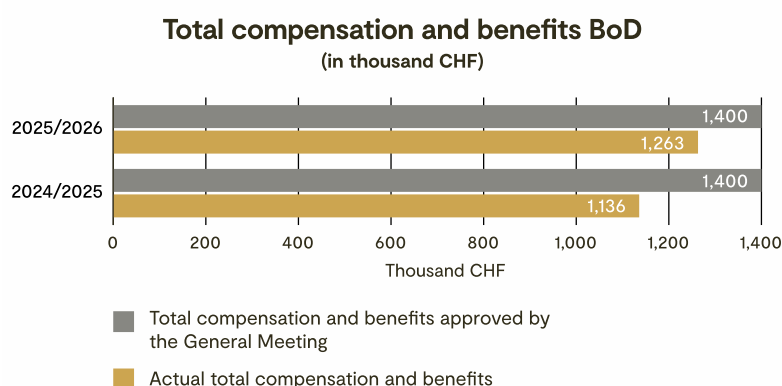
⁵ The Board of Directors granted its member Eva Zauke an additional gross fee of CHF 10,000 as compensation for her additional efforts consulting in the area of software solutions.

4.3 Development of compensation paid to the Board of Directors

The total compensation of the Board of Directors increased during the reporting year by CHF 127,000 compared to the prior year due to the partial waiver of fees by the Board of Directors members Auer, Schmidheiny, and Spoerry in the previous term of office. No adjustments were made to the fees for the Board of Directors during the reporting year.

4.4 Compliance of compensation paid to the Board of Directors

At the Annual General Meeting on April 22, 2025, a maximum amount of CHF 1.40 million was approved for the total compensation and benefits for the Board of Directors for the 2025/2026 term of office; the actual total compensation and benefits for the members of the Board of Directors amounted to CHF 1.26 million (prior year CHF 1.14 million).



The compensation paid out is in accordance with Swiss law, the provisions of the Articles of Association, and the regulations for the compensation of the Board of Directors.

No loans or credits were granted to members of the Board of Directors or related parties in the reporting year.

5 Compensation of the Executive Committee

The following tables in sections 5.1 and 5.3 show the compensation paid to members of the Executive Committee in the reporting year and in prior year, including the respective highest individual compensation.

5.1 Compensation of the Executive Committee for the 2025 financial year

Compensation of the Executive Committee in the 2025 financial year (audited)	Fixed compensation	Variable compensation		Benefits		Total compensation and benefits
	Base salary	Short-term variable compensation ¹	Long-term share-based compensation ²	Social security and pension plan ³	Fringe benefits	
	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand
Executive Committee (4.1 FTE)⁴	1,453.6	720.2	371.0	316.8	179.5	3,041.1
Highest individual amount: CEO, D. Iacovelli	650.0	432.2	260.1	163.5	45.4	1,551.2

¹ The figure refers to the variable compensation for the reporting year according to the consolidated Group results (payment in April 2026).

² This figure refers to the Performance Share Units (PSU) granted in the reporting year. The disclosed value corresponds to the fair value of the allocated PSUs (1 PSU = CHF 253.04). The disclosed value is accompanied by a vesting period of three years.

As part of the Restricted Share Unit (RSU) Plan, where grants were made until 2022, a total of 54 Restricted Share Units were vested during the reporting year to members of the Executive Committee who were active as of the end of the reporting year. The RSUs were granted in 2022.

³ These figures include all employer contributions to compulsory and supplementary social security plans made in the reporting year. They are therefore not associated with the disclosed amounts for variable compensation. Due to the social nature of public insurance plans, a significant portion of the reported contributions does not result in benefits for the individual members.

⁴ The reported compensation corresponds to 4.13 full-time equivalents (FTE) as follows: Domenico Iacovelli – 1.00 FTE; Dr. Javier Perez – 0.08 FTE (entry as of December 1, 2025); Wilfried de Backer – 0.30 FTE (entry as of October 1, 2025); Alberto Martinez – 1.00 FTE; Eamon Doherty – 1.00 FTE (exit on June 30, 2026); Beat Neukom – 0.75 FTE (exit on September 30, 2025).

5.2 Disclosure of performance in the reporting year

5.2.1 Performance relating to short-term variable compensation

The short-term variable compensation for members of the Executive Committee amounts to 104% of the variable target compensation in the reporting year, while the individual percentage values fall between 78% and 111%. Meanwhile, the short-term variable compensation for members of the Executive Committee amount to 50% of the fixed base salaries in the reporting year, while the individual percentage values are between 19% and 67%.

The payout factors for each performance parameter are as follows for the reporting year:

Performance parameter/ target	Threshold value (=payout factor 50%)	Target value (=payout factor 100%)	Maximum target value (=payout factor 150%)
Bystronic Group			
Order intake		● 100%	
Net sales		● 97%	
Operating result		● 100%	
Operating free cash flow			● 150%

● Payout factor for 2025 based on consolidated group results

The achieved order intake of CHF 634.5 million was in line with the target. Net sales of CHF 613.2 million were slightly below target. Bystronic had anticipated a negative operating result in 2025. Although the actual operating result of CHF –19.8 million exceeded the budget, the payout factor remained at 100%, as the STI plan stipulates a cap at this level in the event of a loss. Active management of operating free cash flow was a key focus of the Executive Committee throughout 2025. An operating free cash flow of CHF –18.8 million resulted, which was significantly better than budgeted. Therefore, a payout factor of 150% was achieved. The Group-wide ESG targets, weighted at 8%, achieved a payout factor of 100% (prior year: 113%). Exceeding reductions in Scope 1 and 2 CO₂ emissions were offset by Scope 3 emissions intensity being below target. For the individual qualitative targets, which have a weighting of 12%, payout factors ranged between 100% and 113% (prior year: 100% and 120%).

5.2.2 Performance relating to long-term share-based compensation – PSU plan cycle 2023–2026

As of April 1, 2023, a total of 127 performance share units (PSUs) were granted to members of the Executive Committee who were in office as of December 31, 2025. While the vesting date is scheduled for March 31, 2026, the performance period ended December 31, 2025. The resulting performance factor is 0%, as the threshold values for both key performance indicators were not achieved.

The target values were based on earnings per share for fiscal year 2025, respectively its development compared with fiscal year 2022, as well as on total shareholder return over the period from December 2022 to December 2025, measured relative to the companies included in the Swiss Performance Index SPI® Industrials.

The threshold value for earnings per share in fiscal year 2025 was CHF 25.08, corresponding to an annual growth rate of 4% since fiscal year 2022. However, the actual earnings per share achieved in 2025 amounted to CHF –14.00. In addition, the threshold requirement for relative total shareholder return – exceeding the 20th percentile ranking within the Swiss Performance Index SPI® Industrials – was not met. The total shareholder return for the period from December 2022 to December 2025 was –57%, corresponding to the 12th percentile within the Swiss Performance Index SPI® Industrials.

As a result, all allocated PSUs will lapse in full upon the vesting date of March 31, 2026.

5.3 Compensation of the Executive Committee for the 2024 financial year

Compensation of the Executive Committee in the 2024 financial year (audited)	Fixed compensation	Variable compensation		Benefits		Total compensation and benefits
	Base salary	Short-term variable compensation	Long-term share-based compensation ¹	Social security and pension plan ²	Fringe benefits	
	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand	CHF thousand
Executive Committee (7.1 FTE)³	2,481.6	617.2⁴	687.0	496.2	384.7	4,666.7
Current CEO: D. Iacovelli (entry June 1, 2024)	379.2	227.5 ⁵	151.8 ⁶	84.7	28.6	871.8
Highest individual amount: former CEO A. Waser ⁷	603.6	76.1	80.8	164.5	21.2	946.2

¹ This figure refers to the Performance Share Units (PSU) granted in the reporting year. The disclosed value corresponds to the fair value of the allocated PSUs (1 PSU = CHF 467.01). The disclosed value is accompanied by a vesting period of three years.

As part of the Restricted Share Unit Plan in effect up until 2022, a total of 68 Restricted Share Units were vested during the 2024 financial year to members of the Executive Committee who were active as of the end of the 2024 financial year. The RSUs were granted in 2021.

² These figures include all employer contributions to compulsory and supplementary social security plans made in the 2024 financial year. They are not associated with the disclosed amounts for variable compensation. Due to the social nature of public insurance plans, a significant portion of the reported contributions does not result in benefits for the individual members.

³ The reported compensation corresponds to 7.1 full-time equivalents (FTE) as follows: Domenico Iacovelli - 0.60 FTE (entry on June 1, 2024); Alex Waser - 1.00 FTE (exit on December 31, 2024); Beat Neukom - 1.00 FTE; Alberto Martinez - 1.00 FTE; Eamon Doherty - 1.00 FTE; Johan Elster - 0.25 FTE (exit on March 31, 2024); Norbert Seo - 0.75 FTE (exit on September 30, 2024); John-Paul Surdo - 0.75 FTE (resignation from Executive Committee on September 30, 2024); Dr. Song You - 0.75 FTE (resignation from Executive Committee on September 30, 2024).

⁴ The figure refers to the variable compensation for the 2024 financial year according to estimates from January 2025 (payment in April 2025) and includes a one-time payment of CHF 82,800. The actual payout in April 2025 corresponded to the stated amount.

⁵ At the time of recruitment, the Board of Directors had guaranteed the current CEO the pro rata target short-term variable compensation for 2024 as part of his employment contract.

⁶ The Board of Directors granted an "off-cycle" allocation to the current CEO to account for the assumption of responsibility on July 1, 2024, as well as the subsequently introduced restructuring. In addition, the fair value as of July 1, 2024, (CHF 374.95) was used to determine the number of PSUs allocated, and the effects of restructuring on the target EPS CAGR were taken into account. Furthermore, the period for calculating the relative total shareholder returns (rTSR) began in June 2024 for the CEO, rather than in December 2023.

⁷ Alex Waser stepped down as the incumbent CEO on June 30, 2024. His short-term variable compensation was calculated and paid out in April 2025 in the regular manner based on the financial results achieved in 2024 and 100% achievement of individual targets. As part of the PSU Plan (long-term share-based compensation), 173 PSUs were allocated to him in the reporting year (1/3 of the regular entitlement); these PSUs will be vested in the regular manner in 2027. In the second half of 2024, he was not entitled to a lump-sum expense allowance.

5.4 Development of compensation paid to the Executive Committee

The comparison of total compensation costs for the members of the Executive Committee between 2024 and 2025 is significantly influenced by changes in the number of full-time equivalents (FTEs) and the change in the CEO position.

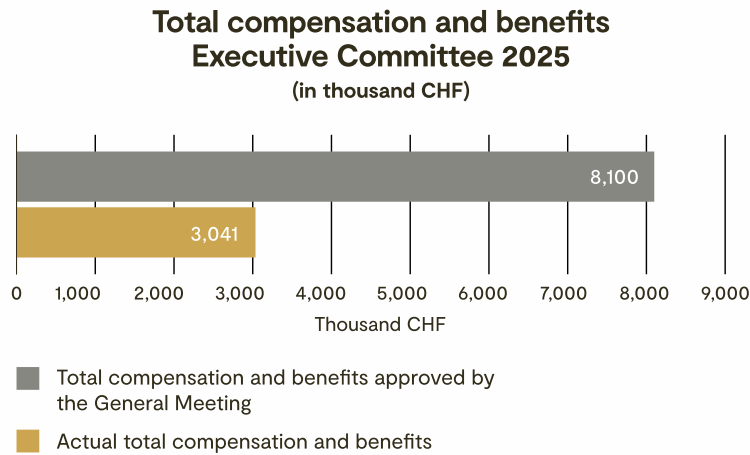
- Total Executive Committee FTEs: In 2024, a total of 7.1 FTEs were included, compared with 4.1 FTEs in 2025. The average total compensation cost per Executive Committee member increased from CHF 657,000 to CHF 736,000. This increase is almost entirely attributable to higher short-term variable compensation in the reporting year (for further information, see section 5.2.1).
- CEO FTEs: In 2024, the Compensation Report reflected 1.6 FTEs for the CEO position, whereas only 1.0 FTE was included in 2025. As a result, total compensation costs decreased by CHF 267,000.

The average actual total compensation (consisting of the fixed base salary, short-term incentive award, and long-term incentive PSU grant) of the Executive Committee members, excluding the CEO, amounted to CHF 384,000 in the reporting year, compared with CHF 412,000 in 2024. This decrease is primarily attributable to the fact that two members who left Bystronic in 2025 were not eligible for a grant under the Performance Share Unit (PSU) plan. In contrast, the average short-term incentive award increased significantly from CHF 57,000 to CHF 92,000, reflecting the substantially higher level of target achievement in 2025 (for further details, see section 5.2.1).

The contractual compensation of the active members of the Executive Committee, including the CEO, remained unchanged during the reporting year.

5.5 Compliance of compensation payments to the Executive Committee

For the 2025 financial year, the active and former members of the Executive Committee received total compensation and benefits amounting to CHF 3.0 million (prior year: CHF 4.7 million). This complied with the maximum total compensation for the Executive Committee of CHF 8.1 million approved at the Annual General Meeting in April 2024.



The compensation paid out is in accordance with Swiss law and the law of the country of employment, the provisions of the Articles of Association, and internal regulations.

On December 31, 2025, there were no open loan or credit contracts between the company and members of the Executive Committee or related third parties.

5.6 Overview of LTI plans: disclosure of outstanding and settled entitlements

5.6.1 Performance Share Unit Plan (PSU)

The following table provides an overview of the previously allocated Performance Share Units (PSU) and shows the development of the value of allocated PSUs during the three-year vesting period (provided this has already ended).

Performance Share Unit Plan (PSU)	Grant of PSU				Vesting of PSU					
	Grant date (dd.mm.yyyy)	Granted PSUs (forfeitable)	Fair value per PSU on grant date in CHF	LTI grant value in thousand CHF	Vesting date (dd.mm.yyyy)	Performance factor	Vested PSUs on 31.12.2025	Share price on vesting date in CHF	LTI value on vesting date in thousand CHF	Performance of allocated PSUs
Members of the Executive Committee who were active as of December 31, 2025 (4 plan participants)	01.04.2023	127	668.10	84.8	31.03.2026	0% ²	-	-	-	-
	02.04.2024	575	467.01 ¹	231.2	01.04.2027	-	-	-	-	-
	01.05.2025	1,466	253.04	371.0	28.04.2028	-	-	-	-	-
Total		2,168	-	687.0			-		-	-

¹ The fair value of the PSUs granted to the current CEO as part of the off-cycle allocation is CHF 378.75.

² For more information on the performance factor, refer to section 5.2.2.

5.6.2 Restricted Share Unit Plan (RSU)

The plan was in effect for members of the Executive Committee, excluding the former CEO, up until the 2022 financial year. The number of RSUs allocated was contingent upon the achievement of an EPS target. For a more detailed description of the plan, refer to the 2022 Compensation Report.

The following table provides an overview of the allocation of Restricted Share Units (RSU) since 2020 and shows the development of the value of allocated RSUs during the three-year vesting period. The last RSUs of the plan vested on March 31, 2025. The plan is therefore fully settled.

Restricted Share Unit Plan (RSU)	Grant of RSUs				Vesting of RSUs				
	Grant date (dd.mm.yyyy)	Granted RSUs (forfeitable)	Share price on grant date in CHF	LTI grant value in thousand CHF	Vesting date (dd.mm.yyyy)	Vested RSUs on 31.12.2025	Share price on vesting date in CHF	LTI value on vesting date in thousand CHF	Performance of allocated RSUs
Members of the Executive Committee who were active as of December 31, 2025 (1 plan participant)	01.04.2020	18	760.00	13.7	31.03.2023	18	660.00	11.9	-13%
	01.04.2021	34	1,200.00	40.8	31.03.2024	34	471.00	16.0	-61%
	01.04.2022	54	946.00	51.1	31.03.2025	54	314.50	17.0	-67%
Total / average		106	954.35	105.6		106	547.10	44.9	-57%

5.6.3 Restricted Share Plan (RSP)

The plan was in effect for the former CEO up until the 2022 financial year. The number of shares transferred was contingent upon the achievement of an EPS target. The shares were transferred in the respective following year. For a more detailed description of the plan, please refer to the 2022 Compensation Report.

The following table provides an overview of the allocation of restricted shares since 2019 and shows the development of the value of allocated shares during the four-year blocking period (provided this has already ended). The final restricted shares will be released on March 31, 2026.

Restricted Share Plan (RSP)	Allocation of restricted shares				Release of restricted shares			
	Transfer date (dd.mm.yyyy)	Transferred restricted shares (vested)	Share price on transfer date in CHF	LTI allocation value in thousand CHF	Release date (dd.mm.yyyy)	Share price on release date in CHF	LTI value on release date in thousand CHF	Performance of allocated restricted shares
Former CEO	17.04.2019	365	914.00	333.6	16.04.2023	667.00	243.5	-27%
	23.04.2020	111	861.00	95.6	22.04.2024	416.25	46.2	-52%
	01.04.2021	0	-	-	-	-	-	-
	01.04.2022	194	946.00	183.5	31.03.2026	-	-	-
	01.04.2023	0	-	-	-	-	-	-
Total		670		612.7			289.7	

6 Information on shareholdings

6.1 Equity holdings of the members of the Board of Directors

The shareholdings of members of the Board of Directors are verified by the external statutory auditors within the scope of the audit of the statutory Annual Financial Statements of Bystronic AG. The following table lists the shareholdings of the individual members of the Board of Directors and of related parties.

Equity holding of members of the Board of Directors (audited)	31.12.2025					31.12.2024				
	Since	Class A registered shares ¹			Class B registered shares ²	Class A registered shares ¹			Class B registered shares ²	
		freely tradable	blocked ³	total		freely tradable	blocked ³	total		
Dr. Heinz O. Baumgartner Chairman	2021	0	1,233	1,233	0	0	680	680	0	
Dr. Roland Abt Member	2014	358	382	740	0	311	271	582	0	
Dr. Matthias Auer Member	1996	22,893	382	23,275	1,008	22,735	271	23,006	1,008	
Inge Delobelle Member	2022	0	342	342	0	0	184	184	0	
Urs Riedener Member	2014	358	382	740	0	311	271	582	0	
Felix Schmidheiny Member	2023	71,000	266	71,266	0	41,000	108	41,108	0	
Robert F. Spoerry Member	1996	7,858	382	8,240	148	7,458	271	7,729	148	
Eva Zauke Member	2023	0	266	266	0	0	108	108	0	
Total members of the Board of Directors		102,467	3,635	106,102	1,156	71,815	2,164	73,979	1,156	

¹ Class A registered shares have a par value of CHF 2.00, carry one voting right, and are traded on the SIX Swiss Exchange.

² Class B registered shares have a par value of CHF 0.40, carry one voting right, and are not traded on the SIX Swiss Exchange.

³ These figures refer to the shares allocated as a base fee over the past four terms of office. They carry voting and dividend rights.

Dr. Matthias Auer, Felix Schmidheiny, and Robert F. Spoerry hold further registered shares under a shareholder agreement within the Auer, Schmidheiny, and Spoerry shareholder group.

The terms of ownership according to the share ownership guidelines are fully met by all members of the Board of Directors.

6.2 Equity holdings of the members of the Executive Committee

The shareholdings of the members of the Executive Committee are verified by the external statutory auditors within the scope of the audit of the statutory Annual Financial Statements of Bystronic AG. The following table indicates the shareholdings of the individual members of the Executive Committee and of related parties.

Equity holding of members of the Executive Committee (audited)	Since ¹	31.12.2025				31.12.2024			
		Class A registered shares ²			Entitlement to class A registered shares / PSU ³	Class A registered shares ²			Entitlement to class A registered shares / PSU & RSU ³
		freely tradable	blocked	total		freely tradable	blocked	total	
Domenico Iacovelli (CEO)	2024	0	0	0	1,433	0	0	0	405
Dr. Javier Perez (CFO)	2025	30	0	30	36	n.a.	n.a.	n.a.	n.a.
Wilfried de Backer	2025	0	0	0	85	n.a.	n.a.	n.a.	n.a.
Alberto Martinez	2022	138	0	138	614	84	0	84	351
Total members of the Executive Committee		168	0	168	2,168	84	0	84	756

¹ Year of joining the Group Executive Committee of Bystronic.

² Class A registered shares have a nominal value of CHF 2.00 and carry one voting right; they are traded on the SIX Swiss Exchange.

³ These figures pertain to the entitlements granted under the Performance Share Unit (PSU) Plan and the entitlements granted under the former Restricted Share Unit (RSU) Plan. For a description of the conditions for the vesting of PSUs, see section 3.2.3.

Restricted Share Units (RSU) represent a conditional right to receive one registered share free of charge at the end of a three-year vesting period, provided that the employment relationship is ongoing. For a detailed description of the plan, please refer to the 2022 Compensation Report.

Neither PSUs or RSUs confer any voting or dividend rights and cannot be traded.

7 Information on functions in other companies and associations

7.1 Functions of the members of the Board of Directors in other companies and associations

The following table lists all functions of the individual members of the Board of Directors in other companies and associations that pursue an economic purpose.

Other functions of members of the Board of Directors (audited)	Companies and associations	Country	Function	Function since
Dr. Heinz O. Baumgartner Chairman	Schweiter Technologies AG	Switzerland	Chairman of the Board of Directors	2023
	United Machining Solutions AG	Switzerland	Member of the Board of Directors	2018
	Bluearbre AG	Switzerland	Member of the Board of Directors	2020
Dr. Roland Abt Member	Swisscom AG	Switzerland	Member of the Board of Directors, Chairman of the Audit Committee	2016
	Aargau Verkehr AG	Switzerland	Chairman of the Board of Directors	2017
	Limmat Bus AG ¹	Switzerland	Chairman of the Board of Directors	2017
	Eisenbergwerk Gonzen AG	Switzerland	Chairman of the Board of Directors	2008
Dr. Matthias Auer Member	Auer Meier Zopfi AG	Switzerland	Chairman of the Board of Directors	2017
	Kalkfabrik Netstal AG	Switzerland	Vice-Chairman of the Board of Directors	1981
	Elggis Kraft AG	Switzerland	Chairman of the Board of Directors	1991
	GTLM Immobilien AG	Switzerland	Vice-Chairman of the Board of Directors	1985
	Stucki AG Bauunternehmung	Switzerland	Chairman of the Board of Directors	1984
	Fritz Landolt AG	Switzerland	Member of the Board of Directors	2015
	Schwert AG	Switzerland	Member of the Board of Directors	1994
	Grundfos Holding A/S	Denmark	Executive Vice President and Divisional CEO Industry	2024
Inge Delobelle Member	Grundfos Water Treatment Europe ²	Denmark	Chairwoman of the Board of Directors	2024
	Emmi AG	Switzerland	Chairman of the Board of Directors	2023
Urs Riedener Member	Sandoz Group AG	Switzerland	Member of the Board, Chairman of Human Capital & ESG Committee	2023
	SIG Group	Switzerland	Member of the Board of Directors, Member of Audit and Risk Committee and Compensation Committee	2025
	Schwarz Unternehmens-treuhand KG	Germany	Member of the Advisory Board	2022
	Risurs GmbH	Switzerland	Owner and Managing Director	2024
	Institute of Marketing and Customer Insight of University of St. Gallen	Switzerland	Member of the Advisory Board	2025
	Institute of Management and Strategy of University of St. Gallen	Switzerland	Member of the Advisory Board	2025
	Plazza AG	Switzerland	Member of the Board of Directors	2019
Felix Schmidheiny Member	JAB Value Holding Pte. Ltd.	Singapore	Member of the Board of Directors	2018
	Jabea Pte. Ltd.	Singapore	Member of the Board of Directors	2020
	Les Verts Pommiers SA	Switzerland	Member of the Board of Directors	2019
	FP Swiss AG	Switzerland	Managing Director	2017
	Sonova Holding AG	Switzerland	Chairman of the Board of Directors (until June 2025)	2011
Eva Zauke Member	Universität Heidelberg	Germany	Member of the University Council	2020

¹ Subsidiary of Aargau Verkehr AG

² Subsidiary of Grundfos Holding A/S

7.2 Functions of the members of the Executive Committee in other companies and associations

The following table lists all functions of the members of the Executive Committee in other companies and associations that pursue an economic purpose.

Other functions of members of the Executive Committee (audited)	Companies	Country	Function	Function since
Domenico Iacovelli, CEO	Rey Technology Holding AG	Switzerland	Chairman of the Board of Directors	2020
	Bobst Group AG	Switzerland	Member of the Board of Directors	2025

The remaining members of the Executive Committee do not have any functions in other companies or associations.



Report of the statutory auditor to the General Meeting of Bystronic AG, Zurich

Opinion

We have audited the compensation report of Bystronic AG (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables marked 'audited' on pages 42 to 52 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report (pages 30 to 52) 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 the tables marked 'audited' in the compensation report, the consolidated financial statements, the 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.

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

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material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 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 judgement and maintain professional scepticism 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.

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 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.

PricewaterhouseCoopers AG

A handwritten signature in blue ink, appearing to read 'B. Kovács-Vujević'.

Blaženka Kovács-Vujević
Licensed audit expert
Auditor in charge

A handwritten signature in blue ink, appearing to read 'T. Handschin'.

Tobias Handschin
Licensed audit expert

Zurich, 23 February 2026



1 Environmental, Social and Governance (ESG) at Bystronic (CSRD)

1.1 Introduction

This 2025 report marks our first Sustainability Report aligned with the Corporate Sustainability Reporting Directive (CSRD) under the European Sustainability Reporting Standards (ESRS). It represents an important milestone, reflecting our approach to managing sustainability as an integral part of our business to create value and strengthen long-term business continuity. The report also reflects a step change in transparency, with expanded and more robust sustainability disclosures. For example, we published our EU Taxonomy alignment for the first time, demonstrating our commitment to advancing cleantech solutions in our product portfolio. During 2025, we advanced substantially on our decarbonization journey.

Our U.S. facilities transitioned to 100% renewable electricity in June 2025. At Bystronic Laser AG in Switzerland, we eliminated natural gas consumption at our headquarters through geothermal heating implementation. In addition, the site achieved ISO 14001 environmental certification. Critically, the Science-Based Targets initiative (SBTi)¹⁾ validated our climate targets in April 2025.

In our supply chain, we achieved an A- score in the Carbon Disclosure Project (CDP) supplier engagement assessment, and strengthened our partnership with Swedish steel manufacturer, SSAB, for innovative materials including recycled and fossil-free steel.

For our workforce, our efforts in health and safety paid off, reducing the level of injuries across all operations and demonstrating our commitment to safety, development, and ethical business conduct. In addition, we delivered 16 average training hours per employee and recorded zero Code of Conduct violations.

We are committed to continued transparency, stakeholder responsiveness, and innovation, and we invite all stakeholders – employees, customers, suppliers and investors – to join us on this journey.

¹⁾ Science-Based Targets

1.2 2025 Performance overview

The table below summarizes progress against our key 2030 sustainability targets as of year-end 2025.

Target	Baseline	2025 Status	2030 Targets	Status
 Scope 1 & 2 emissions	12,028 tCO ₂ e (2021)	8,687 tCO ₂ e	6,976 tCO ₂ e (-42%)	AHEAD
 Scope 3 emissions	785,261 tCO ₂ e (2023)	672,699 tCO ₂ e	530,051 tCO ₂ e (-32.5%)	AHEAD
 Women in management	20% (2023)	26%	≥25%	AHEAD
 Safety TRIR	1.59 (2021)	1.15	≤0.8	ON TRACK
 Waste reduction	4,267 tons (2021)	2,150 tons	3,413 tons (-20%)	EXCEEDED

Key achievements during 2025 include:

– Environment

- Science-Based Targets validated by SBTi in April 2025 for near-term emission reduction commitments: Scope 1 & 2 a 42% reduction from 2021 baseline by 2030, and Scope 3 a 32.5% reduction from 2023 baseline by 2033.
- U.S. renewable energy transition completed in June 2025 as Bystronic Manufacturing Americas LLC and Bystronic Inc. transitioned to 100% renewable electricity through a Power Purchase Agreement with Verde. This switch covers approximately 4.6% of Bystronic's total 2024 energy consumption and avoids approximately 700 tCO₂e annually, representing around 6% of baseline Scope 1 & 2 emissions.
- Geothermal heating system is operational at Bystronic Laser AG headquarters, eliminating natural gas consumption and reducing Scope 1 emissions by approximately 160 tCO₂e annually based on Swiss-standard emission factors.
- ISO 14001 certification achieved at Bystronic Laser AG in March 2025, following implementation program initiated in January 2025.

– Supply chain

- EcoVadis²⁾ supplier coverage kept at 20% of purchase volume in 2025, supporting suppliers in establishing their own Science-Based Targets. Bystronic achieved an A- score in the CDP supplier engagement assessment, placing the company in the leadership category for supply chain climate action.
- Material innovation partnership with Swedish steel manufacturer SSAB renewed in 2025 to advance laser cutting and bending technologies for innovative materials including alloys, recycled steel, and fossil-free steel. This collaboration supports the transition to lower-carbon material options across the value chain. Initial tests show fossil-free steel can be processed with comparable quality to conventional steel, enabling customer decarbonization.

²⁾ EcoVadis

– Circularity

- The Innosuisse circular economy project Circulus (see [section 2.5](#)) continues collaboration with the Swiss Innovation Agency. As a key member, Bystronic works with Zurich University of Applied Sciences (ZHAW) and industry partners to advance innovative solutions that enhance resource efficiency, strengthen circular value chains, and promote sustainable business practices.
- The deep refurbishment program for BySprint laser cutting systems aims to extend the operational life of existing customer equipment by five or more years and reduce the need for new system production. In 2025, 34 refurbished machines were sold, avoiding approximately 3,500 tCO₂e of embodied emissions compared to new production. Circular design integration focuses on new laser cutting system development from the earliest design stages.

1.3 Basis for preparation (BP)

1.3.1 General basis for preparation (BP-1)

This report covers the period from January 1 to December 31, 2025, and includes all entities under Bystronic's operational control as of December 31, 2025. Unless stated otherwise, data is consolidated at the Group level. Where boundaries differ for specific metrics is explicitly indicated in the relevant sections. Reporting boundaries are consistent with those used in the Consolidated Financial Statements.

- **Group Structure:** Bystronic Group operates with nine manufacturing sites in Switzerland, Germany, Italy, the Netherlands, China and the USA; more than 30 sales entities worldwide; and approximately 3,000 employees on a full-time equivalent basis. We consolidated and upgraded our refurbishing business in a new facility in the Netherlands and closed our Romanian refurbishment workshop in July 2025. In addition, we shifted former Bystronic-owned sales entities in Hungary and South Africa into dealer relationships in the second half of 2025. These had minimum impact on CO₂e emissions (<5%).

1.3.2 Disclosures in relation to specific circumstances (BP-2)

- **Reporting standards:** The report has been prepared in reference to the ESRS under CSRD. It also fulfills the disclosure requirements of the Swiss Code of Obligations, articles 964a-c and 964j-l, concerning non-financial reporting. In previous years, we used the Global Reporting Initiative (GRI) standard.
- **Accounting framework:** Financial data follows Swiss GAAP FER accounting principles. EU Taxonomy KPIs are prepared in accordance with Delegated Regulation (EU) 2021/2178.
- **Data management:** Data collection and validation processes follow Bystronic's internal ESG reporting & controls framework, supported by the Jedox and Qlik platforms. All quantitative information is subject to quarterly internal collection and validation with defined data owners and maker-checker review processes regarding database management.
- **Data quality:** Comparative figures have been restated where relevant to ensure consistency. Estimation methodologies are disclosed where data is based on assumptions or extrapolations. Significant estimation uncertainty remains in calculating Scope 3 Category 11 as the lifetime of machines and lifetime electricity consumption is subject to customer usage, into which we don't have enough visibility yet. Ongoing measurement, customer data analysis, and Life Cycle Assessments (LCA) are helping us to improve accuracy. For example, this year we improved our ability to define the lifetime of a machine, a critical factor in our calculations. This improvement affected more than 5% of the baseline, leading us to recalculate Scope 3, Category 11, since the original 2023 baseline. Calculating Scope 3 Category 1 depends on accurate material categorization and data maintenance. Ongoing refinement of the SAP categories and improved weight data maintenance across the Group are helping improve precision.

1.4 Governance (GOV)

1.4.1 Role of administrative, management and supervisory bodies (GOV-1)

- **Board of Directors** (Chair: Dr. Heinz O. Baumgartner) Has ultimate responsibility for sustainability matters. Approves CSRD Sustainability Report. Sets strategic direction for sustainability commitments. Reviews material ESG risks and opportunities.
- **Audit Committee** (Chair: Dr. Roland Abt) Supervises sustainability reporting processes and quality. Oversees ESG risk management integration into Enterprise Risk Management. Comprises three independent Board members with relevant financial, risk management, and sustainability expertise.
- **Human Resources Committee** (Chair: Urs Riedener) Oversees sustainability-related human capital topics, including workforce policies, diversity and inclusion, health and safety, and training. Supervises the integration of sustainability and ESG objectives into remuneration and incentive systems. Reviews people-related ESG risks, succession planning, and the consistency of social data relevant for sustainability reporting.
- **Executive Committee** (CEO: Domenico Iacovelli) Embeds sustainability into operational plans and performance targets. Sets annual ESG performance targets aligned with strategy. Allocates resources to sustainability initiatives. Ensures alignment between sustainability and corporate strategy. Reviews annual ESG performance dashboards. The Executive Committee was streamlined from 10 to four members in early 2025 as part of the CORE restructuring, enhancing decision-making efficiency while maintaining rigorous sustainability oversight.
- **Group ESG Officer** (Michael Präger: reports to CEO) Ensures implementation of the sustainability strategy, CSRD compliance, and regulatory alignment. Coordinates ESG data collection and validation across global operations. Manages stakeholder engagement on sustainability topics. Oversees ESG project portfolio execution. Serves as primary contact for ESG rating agencies and investors. Prepares materials for Board and Audit Committee reviews.
- **Sustainability Council** (cross-functional) Comprises leaders from Operations, Procurement, R&D, HR, and regional management. Connects functions and regions to drive sustainability initiative implementation. Shares best practices across departments. Monitors KPI performance against targets. Escalates issues to the Executive Committee when necessary.

1.4.2 Information provided to and sustainability matters addressed (GOV-2)

The Board of Directors Human Resources Committee and Audit Committee receive annual updates covering progress against Science-Based Targets for Scope 1, 2 and 3 emissions, disclosure gap analysis, employee engagement survey results, material ESG risks and mitigation actions, and regulatory developments including CSRD, EU Taxonomy, Carbon Border Adjustment Mechanism (CBAM), and emerging requirements.

The Executive Committee receives annual updates on ESG KPI dashboard performance, sustainability initiative progress, supplier sustainability performance, employee engagement and safety metrics, and customer sustainability feedback.

1.4.3 Integration of sustainability performance in incentive schemes (GOV-3)

Sustainability is embedded across our corporate strategy, from development processes and capital allocation decisions that prioritize low-carbon investments, to risk management frameworks incorporating climate and ESG risks, performance management with executive compensation linked to ESG KPIs, and an innovation roadmap focused on cleantech solutions.

Executive compensation includes ESG components covering climate target achievement and employee engagement advancement. In 2025, ESG components were achieved at 100% of target, reflecting climate performance ahead of trajectory in operations, while value chain GHG emissions intensity remained below target. Social performance was strong, with a high engagement score reflecting an inclusive culture and a diverse workforce.

1.4.4 Statement on due diligence (GOV-4)

Bystronic applies systematic due diligence processes across its value chain.

- **Supplier sustainability assessment:** The EcoVadis platform is the primary tool for supplier sustainability assessment (see [section 4.2 for coverage details](#)). Risk screening evaluates all new suppliers for environmental, social, governance, and geographic risks. A Supplier Code of Conduct acknowledgment is required from all suppliers. Contracts with suppliers (80% of purchase volume) include supplier partner agreements with sustainability clauses. There were five system audits in 2025, including sustainability assessments. Findings were integrated into supplier performance ratings and sourcing decisions through the Jasper supplier management system.
- **Facility environmental & social management:** ISO 14001 certification covers three of nine manufacturing plants. ISO 45001 certification covers two of nine manufacturing plants. ISO 9001 certification covers seven of nine manufacturing plants. ISO 50001 certification covers one plant. An annual internal audit is conducted at major facilities. Water risk assessment is carried out at all sites using the WRI Aqueduct Water Risk Atlas.³⁾
- **Human rights due diligence:** Supply chain risk mapping assesses Tier One suppliers for human rights risks including forced labor, child labor, and conflict minerals. A standard grievance mechanism via the Business Ethics Hotline is available to suppliers and third parties. In 2025, there were no human rights violations identified in supplier audits or in risk mapping assessments.

³⁾ WRI Aqueduct

1.4.5 Risk management and internal controls (GOV-5)

Bystronic has established robust processes to ensure ESG data quality, accuracy, and reliability. Quarterly data collection uses standardized templates in the Jedox platform from all entities. Data owners at each site validate data accuracy and completeness. Maker-checker processes provide independent review of data entries. Consolidation and analysis is performed centrally by the ESG function. Internal control testing over ESG data is conducted annually.

1.5 Strategy and business model (SBM)

1.5.1 Strategy, business model and value chain (SBM-1)

Bystronic is a global technology company specializing in sheet-metal processing systems, automation, and digital solutions. We empower customers worldwide to increase productivity while reducing resource use and emissions.

- **Core business:** Our offerings encompass laser cutting systems for precision metal fabrication, press brakes for sheet metal bending, automation solutions integrating material handling and workflow optimization, digital manufacturing software including nesting and production planning tools, and comprehensive service programs with training, consulting, and support.
- **Markets served:** Bystronic serves the global sheet metal processing market, providing solutions to original equipment manufacturers, contract manufacturers, and industrial fabricators across a wide range of sectors. Our customers operate in machinery, construction, energy, appliances, transportation, and other industrial applications where precision metal components are required. Through our systems, software, and services, we help manufacturers increase efficiency, material and energy savings, and competitiveness in their respective markets.
- **Geographic presence:** Our manufacturing hubs operate in Switzerland (headquarters), Italy, Germany, China, and the USA. Sales and service networks span over 30 countries, with a strong presence in Europe, North America, and Asia. Regional demo centers provide customer training, application development support, and opportunities to test and optimize processes locally.
- **Inputs:** Our value creation begins with technical expertise in laser and automation technology, manufacturing capabilities across global facilities, R&D investments driving innovation, a skilled workforce in engineering, software development, and manufacturing, and supplier partnerships providing high-quality components and materials.
- **Business activities:** We engage in product development that integrates customer feedback and market trends, precision manufacturing with strict quality control, customer service providing technical support and maintenance, digital solutions development creating software for production optimization and connectivity, and training and consulting that enable customer success.
- **Outputs:** We deliver cutting-edge systems that set industry performance standards, automation solutions that increase productivity and quality, digital tools that optimize material use and production planning, technical support that ensures system uptime and performance, and training programs that build customer capabilities.

- **Outcomes:** Value created includes customer productivity gains through reduced cycle times and increased throughput, reduced customer emissions—particularly through Scope 3 Category 11 use-phase efficiency, job creation across manufacturing and service operations, innovation in metalworking that advances industry capabilities, and industry leadership in cleantech solutions.

1.5.2 Interests and views of stakeholders (SBM-2)

We engage stakeholders through multiple channels to understand expectations and integrate feedback into decision-making.

- **Employees:** Engagement channels include an employee engagement survey covering sustainability awareness, values alignment, and workplace experience. Regular town halls provide transparent communication of sustainability progress. An internal ambassador network shares best practices and drives local initiatives. Expectations include a safe and healthy workplace, career development opportunities, and purpose-driven work contributing to sustainability goals.
- **Customers:** There is regular interaction through demo center visits, technical consultations, and service touchpoints. Customer feedback is integrated into product development priorities. Expectations include providing energy-efficient equipment that reduces operating costs, material optimization features, sustainability data for their own reporting, and reliable equipment minimizing downtime.
- **Investors:** Channels include the Annual General Meeting, investor presentations, and dedicated ESG discussions with institutional investors. Expectations include transparent sustainability performance disclosure, alignment with international frameworks, clear progress on climate commitments, and the integration of ESG into business strategy and risk management.
- **Suppliers:** Supplier are engaged through procurement processes, EcoVadis assessments, and collaborative development partnerships. Expectations include clear sustainability requirements, support for capability building, fair business practices, and partnership development opportunities.
- **Regulators:** Engagement is through industry associations and direct dialogue. Compliance with Swiss non-financial reporting, CSRD, EU Taxonomy, and upcoming regulations. Expectations include accurate and complete sustainability disclosure, alignment with reporting frameworks, and sustainability.

1.5.3 Sustainability journey

Bystronic's sustainability reporting has evolved significantly over the past five years, demonstrating systematic capacity building and commitment to transparency and continuous improvement.

- **2019–2021:** GRI-aligned reporting framework established. First Group-wide greenhouse gas (GHG) baseline developed. Initial materiality assessment completed identifying key sustainability topics.
- **2022:** Scope 3 emissions mapped across two main categories. Energy-efficiency KPIs introduced for operational monitoring. Renewable energy procurement expanded across European facilities. First external assurance on Scope 1 & 2 data.
- **2023:** Science-Based Targets initiative (SBTi) commitment submitted. Full Scope 3 calculation completed per GHG Protocol covering all 15 categories. Double materiality assessment initiated. External assurance extended to Scope 3 data.
- **2024:** Digital ESG data collection platforms improved, enabling quarterly data collection and validation. Two new policies introduced related to human rights and environmental matters.
- **2025:** CSRD alignment achieved across all material topics. Full double materiality assessment completed with internal representative participants and external advisor. Science-Based Targets validated by SBTi in April 2025. EU Taxonomy assessment completed for revenue and CapEx.

1.6 Impact, risk and opportunity management (IRO)

1.6.1 Description of processes to identify and assess material IROs (IRO-1)

Bystronic completed its first full double materiality assessment (DMA) in 2025, building on a preliminary assessment initiated in 2023. The assessment was conducted in two structured workshops during August 2025, facilitated by an external sustainability advisor.

- **Process:** The DMA followed a four-step approach: (1) identification of a long list of potentially material topics based on ESRS topical standards, sector-specific guidance, and peer benchmarking; (2) subtopic-level scoring by workshop participants across both impact materiality and financial materiality dimensions; (3) aggregation and threshold application; and (4) validation by management and approval by the Board.
- **Participants:** The assessment involved 10 participants selected for representing cross-functional expertise and key areas of the business: an Executive Committee member, function heads from Sustainability, Finance, Procurement, Operations, HR, R&D, and Compliance, supported by external sustainability advisors. Scores were weighted by participant expertise in each domain.
- **Scoring method:** Each ESRS topic was assessed at the subtopic level (e.g., E1 Climate Change was evaluated across 10 sub-disclosures including transition planning, energy mix, GHG emissions, and climate adaptation). Subtopics were rated on a 1–3 scale for both impact materiality (considering severity: scale, scope, and irremediability of impacts on people and environment) and financial materiality (considering likelihood and magnitude of financial effects). Subtopic scores were then aggregated to the topic level. Topics scoring ≥ 1.45 on either the impact or financial dimension were classified as material.
- **IRO classification:** Each topic was further characterized by: impact direction (positive or negative), whether it primarily represents a risk or opportunity, and its location in the value chain (own operations, upstream, or downstream). An urgency assessment was also conducted to inform prioritization.
- **Stakeholder input:** The assessment was informed by insights from Bystronic's ongoing stakeholder engagement processes described in SBM-2, including employee engagement survey results, customer feedback through demo centers and service touchpoints, investor ESG dialogue, and supplier interactions through EcoVadis assessments. While external stakeholders did not directly participate in the scoring workshops, their documented expectations and feedback were considered as inputs to the assessment.
- **Validation:** Results were reviewed by management, challenged against industry peer benchmarks, and approved by the Board of Directors.

1.6.1.1 Identifying material topics across our value chain

The following illustration maps our material and monitored sustainability topics across Bystronic's value chain, showing where impacts, risks and opportunities arise – from upstream suppliers through our own operations to downstream customers and end users.



Based on the double materiality assessment described above, seven topics met the materiality threshold and require detailed disclosure under the corresponding ESRS topical standards. Three additional topics are monitored but assessed as non-material for this reporting period.

1.6.1.2 Environmental

- **E1 Climate Change** (high impact, high financial): Climate change creates both risks and opportunities. Transition risks include carbon pricing, energy costs, and regulatory requirements. Physical risks include supply chain disruptions and facility vulnerability. Opportunities arise from customer demand for energy-efficient cleantech solutions enabling their decarbonization (mainly original equipment manufacturers). Our response includes validated Science-Based Targets scope, renewable energy procurement, product energy efficiency improvements, and climate scenario analysis informing adaptation strategy.
- **E3 Water & Marine Resources** (low impact, medium financial): While direct water consumption is modest, certain facilities operate in water-stressed regions, notably Tianjin, China. Supply chain water risks could create business continuity challenges. Water management supports a license to operate. Our response includes the WRI Aqueduct⁴ risk assessment for all sites, water consumption monitoring, closed-loop systems where feasible, and wastewater treatment compliance.
- **E5 Circular Economy & Resource Use** (high impact, high financial): Material efficiency and waste reduction address costs, supply constraints, and environmental impacts. Our approach is to create customer value through refurbishment and upgrading services. Our actions include participation in the Innosuisse circular economy project Circulus, early achievement of waste reduction targets, modular product platforms for upgrades, and product features that enhance maintenance and material efficiency.

⁴) Aqueduct | World Resources Institute

1.6.1.3 Social

- **S1 Own Workforce** (high impact, high financial): Success depends on attracting, developing, and retaining skilled employees in engineering, manufacturing and customer service in competitive talent markets. Material sub-topics include occupational health and safety, diversity and inclusion, training and development, and fair compensation. Our response includes ISO 45001 certification expansion, females proactively included in leadership development programs with coaching tailored to their needs, training investment averaging 16 hours per employee, and fair compensation policies.
- **S2 Workers in Value Chain** (medium impact, high financial): Supply chain labor practices create reputational risks and potential business continuity issues. Our response includes Supplier Code of Conduct implementation, a Human Rights Policy published in 2024, an annual procurement investigation for child labor and conflict minerals in first tiers of the supply chain, EcoVadis assessments and zero human rights violations identified in 2025.
- **S4 Consumers & End-Users** (high impact, high financial): Product safety, reliability, and performance are fundamental to customer satisfaction and reputation. Enabling customer sustainability through product features creates competitive differentiation and market opportunities. Our response includes ISO 9001 quality management, extremely low significant product safety incidents, energy efficiency features reducing customer operational costs, LCA data supporting customer Scope 3 reporting, and a responsive service network.

1.6.1.4 Governance

- **G1 Business Conduct** (medium impact, medium financial): Ethical business practices, anti-corruption controls, data protection, and fair competition are essential for stakeholder trust, regulatory compliance, and sustainable long-term value creation. Governance failures create legal, financial, and reputational risks. Our response includes Code of Conduct and anti-corruption policies, a Business Ethics Hotline with zero retaliation, a goal of zero corruption incidents, General Data Protection Regulation (GDPR) compliance, and regular ethics training.
- **Non-material topics** (E2 Pollution, E4 Biodiversity, S3 Affected Communities) are monitored for changes and will be re-evaluated in the next assessment cycle in 2027. These topics may become material as regulations evolve or if Bystronic's activities change significantly.

1.6.2 Disclosure requirements in ESRS covered by sustainability statement (IRO-2)

The matrix confirms seven material topics requiring detailed topical disclosure. The table below lists all ESRS topics evaluated, indicating which are covered in this statement and which have been assessed as non-material.



This sustainability statement covers disclosures required under ESRS 2 General Disclosures and the following topical standards based on materiality assessment results:

- **Environmental:** ESRS E1 Climate Change (all disclosure requirements), ESRS E3 Water and Marine Resources (E3-1 to E3-3), ESRS E5 Resource Use and Circular Economy (E5-1 to E5-5).
- **Social:** ESRS S1 Own Workforce (S1-1 to S1-15), ESRS S2 Workers in the Value Chain (S2-1 to S2-5), ESRS S4 Consumers and End-Users (S4-1 to S4-5).
- **Governance:** ESRS G1 Business Conduct (G1-1 to G1-7).

At Bystronic, we address these disclosures within a sustainability management framework:

1. **Sustainable solutions:** Enable customer decarbonization through energy-efficient products, reducing operational emissions, material optimization software minimizing waste generation, lifecycle extension, and services extending equipment productive life. Our solutions help customers reduce their Scope 1 & 2 emissions while maintaining or improving productivity. For example, product efficiency features include the deep standby chiller achieving up to 50% idle energy reduction, nesting software delivering up to 8% average material waste reduction, and modular platforms enabling upgrades that extend lifecycles five or more years.
2. **Engaged people:** Strengthen workplace safety through health and safety programs. Promote diversity and inclusion with gender balance targets and inclusive culture initiatives. Invest in continuous learning providing technical, leadership, and digital skills development. Ensure fair compensation through market-competitive pay and equal pay for equal work principles.
3. **Responsible business:** Govern transparently with Board of Directors oversight of sustainability and stakeholder engagement. Reduce operational footprint through renewable energy procurement, energy efficiency improvements, and waste reduction. Build resilient and ethical supply chains via supplier assessments, Code of Conduct requirements, and collaborative development. Maintain the highest standards of business conduct through anti-corruption programs, whistleblowing mechanisms, and ethics training.

2 Sustainable solutions (environmental matters)

2.1 Climate scenario analysis (ESRS 2 IRO-1)

Bystronic conducted a climate scenario analysis aligned with the TCFD framework, evaluating business resilience under 1.5°C and 3°C scenarios.

We are changing our scenario from 4°C (2024) to 3°C as several recent scientific assessments suggest that the likely global warming by the end of the century may be somewhere between +2 and +3°C, lower than the previously feared +4°C scenario. But this depends heavily on global emissions, trajectories and climate policies. Global temperatures in the last 12–18 months have consistently been ~1.3°C above pre-industrial levels. This leaves an extremely low remaining carbon budget to remain below 1.5°C.

While organizations should continue to align with 1.5°C pathways whenever possible – because these trajectories drive the deepest, fastest and most transformative decarbonization – they must also realistically prepare for the physical impacts associated with a 2–3°C world, which is increasingly becoming more likely. In this context, climate adaptation becomes as essential as mitigation, requiring companies to strengthen their resilience to extreme weather, supply-chain disruptions, and regulatory shifts. Those that decarbonize early will be significantly better positioned under tightening climate policies and escalating physical climate risks, gaining strategic advantages in competitiveness, compliance, and long-term value creation.

2.1.1 Scenarios evaluated

- **1.5°C scenario (Paris Agreement):** Rapid transition to low-carbon economy. Strong carbon pricing. Accelerated renewable energy deployment. Stringent regulations on industrial emissions. Increased demand for low-carbon technologies.
- **3°C scenario (current policies):** Limited climate action. Physical climate impacts intensify. Extreme weather events increase in frequency and severity. Supply chain disruptions from climate events. Reduced regulatory pressure but higher physical risks.

2.1.2 Key findings¹

- **Steel price:** in a 1.5°C scenario, increased demand for renewable energy technologies and low-carbon products could drive demand for steel, potentially leading to higher prices. However, increased investment in steelmaking technologies could mitigate price increases. In a 3°C scenario, decreased demand due to reduced economic activity could lead to lower prices, but increased physical risks could disrupt supply chains.
- **Carbon price:** in a 1.5°C scenario, increased adoption of carbon-pricing policies could lead to higher carbon prices over time. In a 3°C scenario, less political will for carbon pricing could lead to lower prices or insignificant carbon pricing.
- **Regulation:** in a 1.5°C scenario, increased regulatory pressure to reduce emissions potentially leads to new regulations on industrial emissions and investment in low-carbon technologies. In a 3°C scenario, there would be less regulatory pressure in the short term.
- **Electronic price/supply chain disruption:** in both scenarios, increased physical risks from climate change such as extreme weather events could disrupt the supply chain for electronic components. In a 1.5°C scenario, increased investment in low-carbon technologies could drive demand for electronic components used in renewable energy technologies, potentially driving up prices. In a 3°C scenario, decreased demand could lead to lower prices, but increased physical risks could create supply disruptions.
- **Implications:** findings help fine-tune key development areas to enable active contribution to a low-carbon transition, notably development of sustainability portfolio offers. Bystronic's cleantech solutions position the company to benefit from a 1.5°C scenario through increased customer demand while physical risk adaptation ensures resilience in 3°C+ scenario.

¹⁾ UNEP Emissions Gap Report 2025 | Climate Action Tracker | NGFS Phase V Climate Scenarios | IEA World Energy Outlook 2024 | EU ETS price forecasts, EUROMETAL/Fastmarkets, Bruegel Working Paper 20/2025

2.2 EU Taxonomy disclosure

- **Introduction:** The EU Taxonomy is a classification system that establishes a list of environmentally sustainable economic activities. Bystronic has conducted a comprehensive assessment of its activities using EU Taxonomy technical screening criteria.
- **Reporting framework:** This disclosure is prepared in accordance with Article 8 of the EU Taxonomy Regulation (2020/852) and Commission Delegated Regulation (EU) 2021/2178. Financial data follows Swiss GAAP FER accounting principles.
- **Eligible economic activities identified:** Based on the Climate Delegated Act, Bystronic has identified the following eligible activities.
 - **Activity 3.6 – manufacturing of other low carbon technologies:** Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy. Bystronic's laser cutting and bending systems enable material efficiency and energy savings in customer operations across automotive, aerospace, construction, and general fabrication sectors.
 - **Activity 5.1 – repair, refurbishment and remanufacturing:** Extension of product lifespans through professional servicing, refurbishment, and remanufacturing activities. Bystronic's service contracts and refurbishment services extend equipment lifecycles and reduce embodied emissions from new equipment manufacturing.

2.2.1 Alignment assessment approach

- **Activity 3.6 – technical screening criteria:** Requires that manufacturing technologies lead to substantial GHG emission reductions compared to best-performing alternative technologies. Bystronic's systems demonstrate energy efficiency improvements and material waste reduction compared to alternative metalworking technologies.
- **Activity 5.1 – technical screening criteria:** Requires that repair, refurbishment, or remanufacturing activities extend the useful life of products and components, thereby reducing resource consumption and lifecycle emissions. Bystronic's service contracts maintain equipment performance and extend machine lifetimes, while refurbishment activities return used equipment to operational condition. This activity represents the primary source of Bystronic's taxonomy-aligned revenue.
- **DNSH assessment:** Activities assessed against "Do No Significant Harm" criteria for all environmental objectives. Manufacturing operations maintain environmental compliance, manage water and waste responsibly, follow circular economy principles, and avoid significant pollution or biodiversity impacts.
- **Minimum safeguards:** Bystronic maintains a Code of Conduct aligned with international standards, whistleblowing mechanisms, human rights policies, and supplier due diligence processes ensuring alignment with minimum safeguard requirements.

2.2.2 KPI definitions–revenue

- **Total revenue (denominator):** Consolidated revenue per company Financial Statement. Machine sales revenue recognized at delivery/commissioning; service contracts recognized over contract period; software licenses recognized over term or at delivery for perpetual licenses.
- **Taxonomy-aligned revenue (numerator):** Revenue from activities meeting technical screening criteria, Do No Significant Harm (DNSH), and Minimum Safeguards. Service contracts are recognized as aligned revenue due to their significant positive effect on machine lifetime under activities 3.6 and 5.1. In the absence of standard criteria to evaluate alignment on machine sales, only eligible revenue was quantified.

2.2.3 KPI definitions – capital expenditures (CapEx)

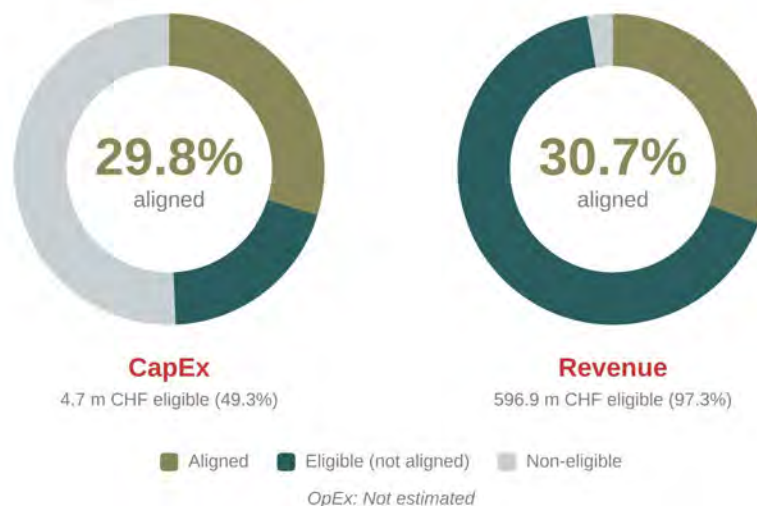
- **Total CapEx (denominator):** Additions to property, plant & equipment (PPE) and intangible assets during reporting period, excluding assets acquired through business combinations, per Swiss GAAP FER.
- **Taxonomy-aligned CapEx (numerator):** CapEx directly supports aligned activities, including R&D facilities, production equipment for aligned products, and renewable energy infrastructure. Full disclosure available in EU Taxonomy tables.

2.2.4 KPI definitions – operating expenditures (OpEx)

- **Total OpEx (denominator):** Direct non-capitalized costs per EU Taxonomy definition: research & development, building renovation measures, short-term leases, maintenance and repair, and training and upskilling activities. Note: This is not total operating expenses but rather specific categories per the EU Taxonomy definition.
- **Taxonomy-aligned OpEx (numerator):** OpEx reporting has been omitted due to immateriality (less than 1% of total operating expenses).

EU Taxonomy	Eligible	Aligned	% Eligible	% Aligned
Revenue	596.9 m CHF	188.2 m CHF	97.3%	30.7%
CapEx	4.7 m CHF	2.8 m CHF	49.3%	29.8%
OpEx	Not estimated	-	-	-

EU Taxonomy Alignment



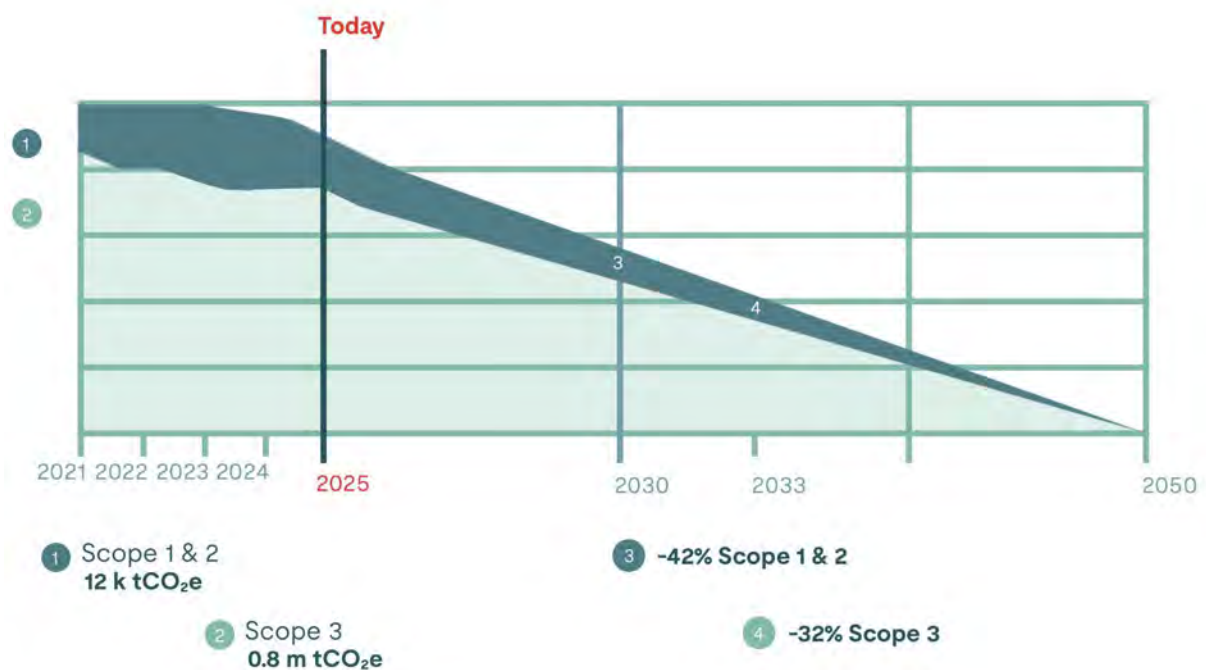
- **External assurance:** EU Taxonomy KPIs presented in this disclosure are not yet subject to limited assurance.

2.3 Climate Change (ESRS E1)

Bystronic joined the Science-Based Targets initiative in 2023 and received validation of near-term targets in April 2025. The Group aims for a net-zero operations and net-zero value chain by 2050.

Climate Transition Roadmap

Our pathway to net-zero emissions by 2050



2.3.1 Transition plan (E1-1)

- **Renewable electricity procurement:** target 60% by 2027, 100% by 2030 (where possible)
- **On-site renewable generation:** solar installations at all major owned facilities by 2027
- **Heating electrification:** phase out natural gas heating at major owned facilities using geothermal and heat pumps (partially done)
- **Fleet transition:** 30% hybrid vehicles by 2027, 50% electric vehicles by 2030

2.3.2 Policies (E1-2)

- **Supplier engagement:** 30% EcoVadis coverage by 2026; encourage supplier SBTi adoption
- **Low-carbon materials:** 30% recycled steel content by 2028; fossil-free steel pilots by 2027
- **Product efficiency:** improved energy efficiency through optimized configuration and chiller
- **Customer engagement:** Life Cycle Assessment (LCA) data for 100% of products by 2027 available on demand
- **Circular economy:** Circulus project and upgrade services expansion

2.3.3 Actions and resources (E1-3)

- **Climate policy:** Board-approved climate strategy aligned with the Paris Agreement. Comprehensive emissions reduction roadmap covering all scopes. Regular progress monitoring through quarterly KPI reviews.

2.3.3.1 SBTi-validated targets

- **Scope 1 & 2:** 42% absolute reduction by 2030 from 2021 baseline
- **Scope 3:** 32.5% absolute reduction by 2033 from 2023 baseline
- **Net-zero:** operations and value chain by 2050

The baseline year for Scope 3 was updated to 2023 to reflect improved data quality and expanded category coverage achieved in 2023. In 2025, Scope 3 was recalculated to consider method improvement and Life Cycle Assessment results.

2.3.4 Decarbonization actions

2.3.4.1 Operational decarbonization

Bystronic advanced its renewable energy and low-carbon initiatives in 2025. Solar installations were completed at Niederönz (Switzerland), Hoffman Estates (USA), and Tianjin (China), with Foshan (China) finalized in late 2025. Geothermal heating became operational at Bystronic Laser AG in 2024, eliminating natural gas consumption and reducing Scope 1 emissions. In the USA, a Power Purchase Agreement with Verde Energy has supplied 100% renewable electricity to our facilities since June 2025. Renewable electricity contracts are active at Niederönz, Gotha (Germany), and Hoffman Estates, with a Foshan contract planned for 2026, subject to government grid operations.

2.3.4.2 Value chain decarbonization

Bystronic supports suppliers in establishing their own Science-Based Targets through workshops and guidance.

SSAB partnership renewed in 2025 for collaboration on fossil-free and recycled steel solutions. Pilot projects are ongoing with initial tests demonstrating comparable processing quality for fossil-free steel compared to conventional steel.

2.3.4.3 Product innovation

Bystronic products and solutions actively support customer sustainability and emissions reduction. Deep standby chillers, standard on all ByCut Fiber systems, achieve up to 50% idle energy reduction, lowering operational emissions during non-production periods. Nesting software provides digital optimization, achieving an average of 8% material waste reduction, which decreases both material costs and associated embodied emissions. Modular ByCut platforms use standardized designs that enable upgrades, extending system lifecycles by five or more years and reducing the need for equipment replacement and related production emissions. In addition, Bystronic's Life Cycle Assessment (LCA) program is expanding coverage of the product portfolio, providing customers with data to support Scope 3 reporting under emerging regulations.

2.3.5 Targets (E1-4)

GHG targets	Baseline	Target	Status	2025
Scope 1+2 (tCO ₂ e)	12,028 (2021)	6,976 (-42% by 2030)	On track	8,687
Scope 3 (tCO ₂ e)	785,261 (2023)	530,051 (-32.5% by 2033)	Ahead	672,699

2.3.6 Energy consumption and mix (E1-5)

The following table provides a detailed view of Bystronic's energy consumption over the last three years, categorized by activity type:

Energy consumption	YoY	2025	2024	2023	2022	2021
Total energy consumption (MWh)	-8%	35,407	38,509	39,576	41,664	43,861
Fuel for fleet		14,520	15,139	14,268	15,042	14,949
Stationary energy (buildings)		4,979	6,398	8,183	9,297	10,014
District heating		2,347	2,490	2,905	2,246	2,226
Non-renewable electricity		6,225	8,168	7,708	7,680	14,759
Renewable electricity		7,335	6,314	6,513	7,399	1,912
Energy intensity (MWh/million CHF)		57.7	59.4	42.6	41	46.7
Share of renewable electricity		54%	44%	46%	49%	11%
Share of renewable energy		21%	16%	16%	18%	4%

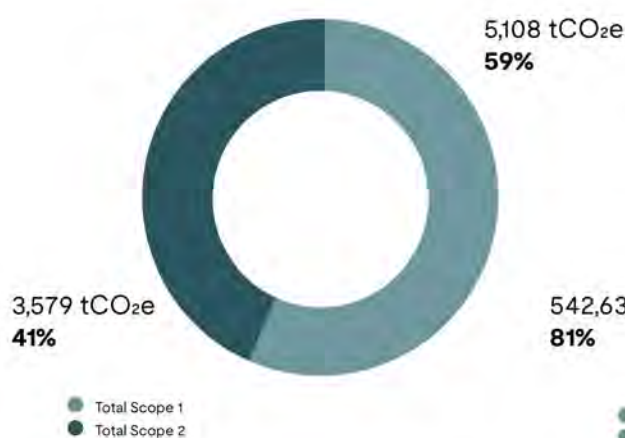
Analysis of energy consumption and intensity evolution

The data indicates an 8% year-over-year decrease in total energy consumption in 2025, highlighting effective energy management strategies and a decrease in manufacturing activities. The increase in the share of renewable electricity from 11% in 2021 to 54% in 2025 demonstrates a significant shift towards more sustainable energy sources. The energy intensity saw a peak in 2024 due to reduced revenue during the CORE restructuring period.

2.3.7 GHG emissions (E1-6)

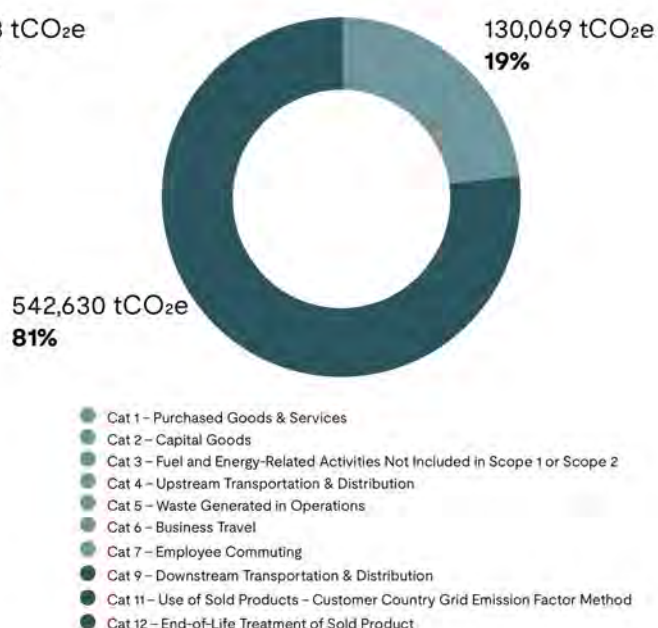
Scope 1 and 2 CO₂e emissions in 2025

Tons of CO₂e and in %



Scope 3 CO₂e emissions in 2025

Tons of CO₂e and in %



Scope 1, 2 emissions

GHG emissions Scope 1 & 2	2025	2024	2023	2022	2021
Scope 1 (tCO₂e)	5,108	5,559	6,126	7,110	6,678
Fuel for fleet	3,937	4,035	3,871	4,236	4,197
Stationary energy	1,102	1,428	1,836	2,119	2,265
Refrigerants	69	97	419	755	216
Scope 2 market-based (tCO₂e)	3,579	4,567	4,384	4,303	5,350
Non-renewable electricity	2,864	3,807	3,543	3,464	4,509
District heating	715	761	840	840	841
Scope 1+2 total (tCO₂e)	8,687	10,127	10,510	11,413	12,028
GHG intensity (tCO₂e/million CHF)	14.2	15.6	11.3	11.2	12.8

Analysis of GHG emissions and intensity evolution

Scope 1 emissions decreased 24% from 2021 baseline, driven by natural gas elimination through geothermal heating and fleet efficiency improvements. Scope 2 market-based emissions decreased 33% from baseline through renewable electricity procurement. Decreased manufacturing activities in Europe were a strong contributor to Scope 1 and 2 emission reductions, while being a non-structural factor. Total Scope 1 +2 emissions of 8,687 tCO₂e in 2025 represent a 28% reduction from 2021 baseline, tracking ahead of 2030 target trajectory.

Although sales have not yet recovered, Scope 1 & 2 CO₂e emissions intensity has decreased thanks to strong decarbonization measures in 2025, more than offsetting the revenue decline.

Scope 3 emissions by category

GHG emissions Scope 3	Since 2023	YoY	2025	2024	2023
Scope 3 total emissions (tCO₂e)	-14%	6%	672,699	632,262	785,261
Cat 1 - Purchased goods & services			111,552	109,777	124,524
Cat 2 - Capital goods			523	444	557
Cat 3 - Fuel- and energy-related activities			1,917	2,190	1,970
Cat 4 - Upstream transportation and distribution			2,006	1,795	2,002
Cat 5 - Waste generated in operations			194	200	263
Cat 6 - Business travel			5,835	6,078	4,078
Cat 7 - Employee commuting			8,042	8,617	10,049
Scope 3 upstream emissions			130,069	129,101	143,443
Cat 9 - Downstream transportation and distribution			10,564	9,797	13,303
Cat 11 - Use of sold products			529,376	490,613	624,744
Cat 12 - End-of-life treatment			2,690	2,751	3,770
Scope 3 downstream emissions			542,630	503,161	641,818

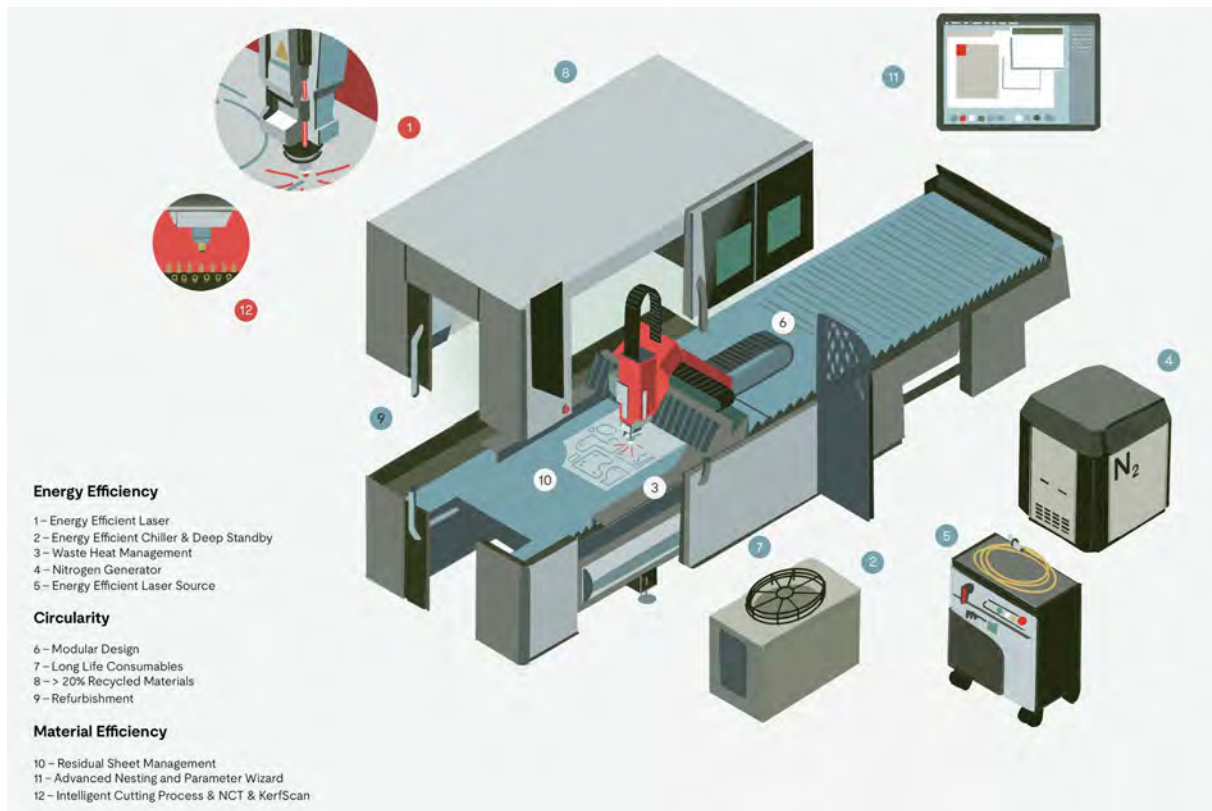
Analysis of GHG emissions and intensity evolution

Scope 3 emissions account for 99% of Bystronic's carbon footprint. Category 11 (use of sold products) represents 79%, based on electricity consumption throughout the entire product lifecycle per GHG protocol guidelines. Category 1 (purchased goods and services) represents 17%. Scope 3 emissions increased 6% year-over-year. While manufacturing volumes remained stable – offering no volume-driven emission reduction – the product mix shifted toward higher-powered laser systems, which carry higher lifetime energy consumption and therefore higher estimated use-phase emissions.

New calculation method reduced Scope 3 by 30% compared to previous results (see previous reports). Scope 3 emissions have been recalculated to incorporate new Life Cycle Assessment data in Scope 3 Category 11 – Use of sold products (flat laser machine lifetime has been reduced from 20 years to 10 years) and in Scope 3 Category 1 – purchased goods and services (spend method has been replaced by weight method for accuracy improvement). Baseline and target years have been recalculated according to the Science-Based Target reduction plan of 32.5% over the 2023–2033 period.

2.3.8 Customer decarbonization impact

Bystronic's laser cutting systems integrate sustainability features across three dimensions – energy efficiency, circularity, and material efficiency – that directly reduce customers' operational emissions, resource consumption, and total cost of ownership. The illustration below shows how these features are embedded across the system architecture.



2.3.8.1 Product efficiency features

- **Deep standby chiller:** Achieves up to 50% reduction in idle energy consumption compared to the previous generation. Standard on all ByCut Fiber systems. Reduces customer operational emissions during non-production periods such as nights and weekends. Annual energy savings per system estimated to reach return on investment within three years for most customers.
- **Nesting software:** Digital optimization tool analyzes part layouts to maximize material utilization. Achieves 8% average material waste reduction across customer applications. Reduces both material costs and associated embodied emissions from steel production. Annual material savings per customer site estimated at one week of annual purchased steel.
- **Intelligent Cutting Process (ICP):** A coaxial camera monitors the cutting process through the nozzle of the fiber laser and ensures reliability through proactive and reactive measures. This reduces downtime and material waste in case of nozzle loss. By preventing unrecognized cut interruptions, the ICP feature helps minimize waste.
- **Parameter Wizard with Artificial Intelligence (AI):** This feature combines intelligent human-machine interaction and AI-based optimization to support the operator when a new type of metal is introduced. Leveraging AI helps to quickly and precisely define the correct parameters to optimize cutting quality, eliminating the need for time-consuming trial and error methods.
- **Nozzle Control Tool (NCT) & KerfScan:** NCT enables automatic nozzle centering in seconds and monitors nozzle condition and type. KerfScan examines the oxygen cut to detect residual slag inside the cutting gap/kerf, which allows parts to be recut as needed. This combination ensures a consistent, high-quality cutting process that reduces waste and rejected parts.

- **Laser Angle Measurement System (LAMS):** This feature ensures precision and productivity in the bending process by eliminating the need for time-intensive measuring and part correcting. LAMS optimizes metal waste reduction by achieving precise angles and minimizing misshaping, ensuring that the first bend is flawless.
- **Nitrogen generators:** Nitrogen generators, like NitroCube and Airco System, enable in-house production of high-purity nitrogen for fiber laser cutting systems, reducing energy use and carbon emissions. In Bystronic's life cycle assessment, nitrogen use was the largest contributor to indirect CO₂ emissions. Traditional methods require substantial power and transportation, increasing the carbon footprint. In-house generation eliminates the need for transport and allows efficient, on-demand nitrogen production, offering environmental and financial benefits.
- **Modular platforms:** ByCut standardization enables component upgrades rather than complete system replacement. Extends productive lifecycle five or more years beyond traditional replacement cycles. Reduces the need for new system production and associated manufacturing emissions. Customer investment in upgrades is typically 30–40% of new system cost with comparable performance improvements.
- **Material innovation:** Partnership with SSAB advances technologies for innovative materials including high-strength alloys, recycled steel content, and fossil-free steel production. This collaboration supports the transition toward lower-carbon material options across the value chain.
- **Fossil-free steel:** Initial tests conducted in 2025 demonstrate that fossil-free steel can be processed with comparable quality to conventional steel. Cutting quality, edge characteristics, and processing speeds meet customer specifications. Enables customer decarbonization pathways as fossil-free steel becomes commercially available. Potential emission reduction of up to 95% compared to conventional steel production.
- **Recycled steel:** Laser cutting and bending systems optimized for recycled steel grades with varying material properties. Material database includes processing parameters for multiple recycled content levels. Supports customer sustainability goals through use of secondary materials.

2.3.8.2 Life Cycle Assessment program

Standardized Life Cycle Assessment methodology per ISO 14040/14044 applied to product portfolio. LCA scope includes raw material extraction and processing, component manufacturing and assembly, transportation and distribution, use-phase energy consumption, and end-of-life treatment options.

Coverage expanding from current ~60% to 100% of standard products by 2027. Results provided to customers to support their Scope 3 reporting requirements under emerging regulations including CSRD and SEC climate disclosure rules. Data enables customers to quantify emissions associated with capital equipment purchases.

2.3.8.3 Customer engagement

Joint pilot projects with lead customers test new sustainability features before commercial launch. Industry partnerships through associations advance sustainability standards and benchmarks collaboratively. Transparency through publicly available sustainability datasheets for all products. Integration with customer carbon accounting software platforms facilitates emissions tracking and reporting.

2.4 Water & Marine Resources (ESRS E3)

2.4.1 Policies (E3-1)

Environmental management systems cover water management at ISO 14001 certified sites. Site-specific water efficiency programs identify reduction opportunities. Wastewater treatment ensures discharge compliance with local regulations.

2.4.2 Actions and resources (E3-2)

Water consumption monitoring implemented at manufacturing sites with quarterly reporting. Closed-loop water systems installed where technically and economically feasible, particularly at headquarters. Discharge permit compliance maintained at all facilities with wastewater treatment requirements.

WRI Aqueduct Water Risk Atlas used to assess water stress at all facility locations. Tianjin (China) site classified as high baseline water stress.

2.4.3 Metrics and targets (E3-3 & E3-4)

Water withdrawal and consumption in manufacturing plants (m³)

Water management	YoY	2025	2024	2023	2022
Water consumption in manufacturing plants (m³)	-21%	18,532	23,562	23,664	12,274
Water withdrawal		18,659	24,259	23,664	12,274
Water discharged		127	697		
Water intensity per net sales (m³/million CHF)		30.2	36.3	25.4	12.1

Analysis: We started monitoring water consumption in 2022 with a limited number of manufacturing plants. In 2025 we had data coverage for six of nine manufacturing sites. Coverage expansion remains a priority.

Water stress assessment: 39% of total water withdrawal occurs in medium-high to extremely high water stress areas. This concentration drives focused risk management and adaptation efforts.

Water by location	Water stress	% of Total	Actions	2025	2024
Bystronic Tianjin (China)	Extremely High (4-5)	39%	Monitoring	7,267	8,146
Bystronic Laser (Romania)	High (3-4)	3%	Closed plant	617	987
Bystronic Manufacturing (USA)	Medium-High (2-3)	7%	Monitoring	1,289	1,336
Bystronic Tube Processing (Italy)	Medium-High (2-3)	6%	Monitoring	1,146	2,242
Other locations	Low to Medium (0-2)	45%	-	8,213	11,548

2.5 Resource Use & Circular Economy (ESRS E5)

2.5.1 Policies (E5-1)

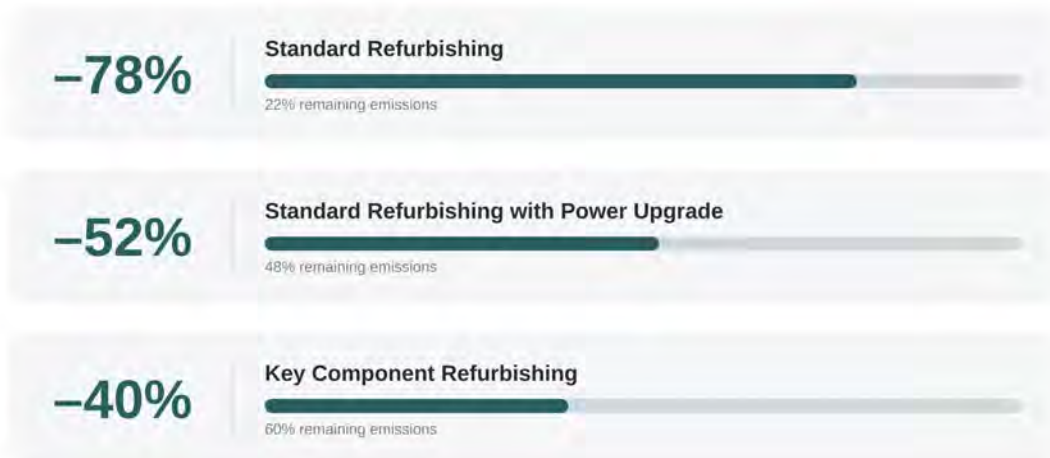
Bystronic's circular economy strategy follows the waste hierarchy, focusing first on preventing waste through product design, reducing material consumption via process and software optimization, reusing components and materials where feasible, recycling materials at end-of-life, and recovering energy only as a last resort. Material efficiency targets have been established for both product design and manufacturing operations to drive continuous improvements and support sustainable resource use.

2.5.2 Actions and resources (E5-2)

- **Innosuisse circular economy project Circulus:** Four-year collaboration with Swiss Innovation Agency focuses on circularity use cases with completion targeted for 2028.
- **Use case 1 – deep refurbishment program:** Program extends operational life of BySprint laser cutting systems by five or more years through comprehensive refurbishment. Bystronic is developing a refurbishing kit for the BySprint laser cutting machine, forming the basis of a new circular business model that extends the lifetime of the installed machine base. The approach focuses on replacing only components that have reached end-of-life, offering customers a cost-effective alternative to purchasing new equipment. Three refurbishing options are available: (i) standard refurbishing, extending machine lifetime by five years; (ii) standard refurbishing with power upgrades to enhance performance; and (iii) optional refurbishment with replacement of key components. Initial life-cycle assessments indicate significant GHG emission reductions compared to new machines, amounting to 77%, 49%, and 36% respectively.

GHG Reduction emission impact refurbishing options

GHG emission reduction vs. manufacturing a new machine (100%)



[Read more about the Circulus project here.](#)

- **Use case 2 – circular design integration:** Program integrates circular economy principles into new laser cutting system development from earliest design stages. Focus areas include improved material selection through higher recycled content and mono-materials simplifying recycling, enhanced modularity enabling component upgrades without full system replacement, facilitated component reuse through standardized interfaces and documentation, and simplified end-of-life disassembly through design for disassembly principles.

Extending product life through laser module refurbishment

Bystronic's laser module refurbishment program demonstrates how circular economy principles translate into measurable impact. Rather than replacing high-value components at end-of-service, we developed an industrial refurbishment process that recovers usable assemblies, recalibrates optical paths, and restores cutting heads to original performance standards – often with enhanced monitoring capabilities. This approach goes beyond basic repair: each laser module is stripped, cleaned, realigned, and rebuilt from the optics upward, delivering performance-secure components with significantly reduced resource consumption compared to new production. The program delivers environmental and economic value. From a circularity perspective, refurbished laser modules avoid the material extraction, machining, and manufacturing emissions associated with new component production while keeping structurally sound parts in the use cycle, embodying the principle of reuse over replacement. Customers benefit from reduced capital expenditure, minimized downtime, and the confidence that older machines remain competitive in demanding production environments.

These initiatives position Bystronic as a circular economy leader in the capital equipment industry, creating value through resource efficiency while meeting increasing customer and regulatory demands for circularity.

2.5.3 Metrics and performance (E5-4)

Resource inflows in manufacturing plants:

Resource inflows	2025	2024	2023
Total purchased goods (tons)	26,261	22,738	29,423
Amount of metals (tons)	23,970	20,963	27,517
Share of recycled steel (%)	27%	27%	27%
Estimated recycled content (tons)	6,472	5,660	7,429

Analysis: Total purchased goods increased due to the increased number of large size machines produced in China. Recycled steel content remained at 27%, meeting minimum target. Opportunities exist to increase recycled content through supplier collaboration and specification changes.

2.5.4 Material flow analysis (E5-5)

Waste generation and management

Waste in manufacturing plants	YoY	2025	2024	2023	2022	2021
Waste, total amount in manufacturing plants (tons)	-6%	2,150	2,288	3,323	3,860	4,267
Non-hazardous waste		2,103	2,241	3,266	3,785	4,213
Metals		1,511	1,593	2,400	2,989	3,253
Wood		160	176	375	465	575
Paper & cardboard		116	102	117	137	218
Plastics		5	4	6	6	7
Domestic		307	346	354	176	156
Special non-hazardous waste		4	18	13	11	4
Hazardous waste & toxic material		47	47	57	75	54
Waste by disposal methods (%)						
Landfill		0%	1%	1%	1%	
Incineration		15%	15%	10%	5%	
Share of metal waste (mostly recycled)		83%	81%	87%	92%	
Other disposal methods		2%	3%	2%	2%	
Waste intensity per net sales (tons/ million CHF)		2.7	2.9	3.6	3.8	4.5

Analysis: Total waste generation in 2025 was 2,150 ton compared to the 4,267 ton baseline in 2021, representing a 50% reduction and exceeding the 2030 target of 3,413 tons early. This achievement reflects reduced manufacturing activity during CORE restructuring and improved material efficiency. Recycling rate is at 83% as most metal waste (70%) and wood, paper and cardboard waste (pallet, packaging) is recycled.

With the closure of our plant in Romania, we ended all waste to landfill in 2025.

Waste by disposal method

- **Recycling, reuse & recovery:** 83% (metal, wood, paper and cardboard waste)
- **Incineration:** 15% (plastic and domestic waste)
- **Other disposal methods:** 2% (special and hazardous waste)
- **Landfill:** 0%

2.5.5 Outlook and priorities

2.5.5.1 2025–2027 Circular economy priorities

- **Product design:** Complete Innosuisse Circulus deep refurbishment project for BySprint Fiber systems and commercialize refurbishment offerings across European markets. Integrate Design for Disassembly (DfD) criteria into new product development stage-gate process by 2026. Increase material recovery rate through improved disassembly processes and component documentation. Expand LCA coverage to 100% of product portfolio from current ~60%.
- **Supplier collaboration:** Increase recycled steel content to 30% by 2028 through supplier partnerships and material specification updates. Develop circular packaging standards with top suppliers to reduce single-use packaging. Engage suppliers on material passport development providing composition and recyclability data for major components.
- **Customer circular economy:** Expand refurbished machine offerings across all product lines with standardized quality and warranty programs. Develop deep refurbishment service centers in Europe and North America. Create “Upgrade-as-a-Service” offerings enabling customers to access latest technology through modular upgrades rather than full replacement. Provide component remanufacturing services to extend life of high-value components.
- **Manufacturing:** Improve overall waste recycling rate to 90% by 2027.
- **Long-term ambitions (2030):** 100% of standard product lines with circular design certification from third-party verifier. 50% recycled content in purchased materials (mainly steel). Improved material recovery rate from end-of-life equipment through take-back programs. Circular economy services represent major part of total revenue.

3 Engaged people (social issues)

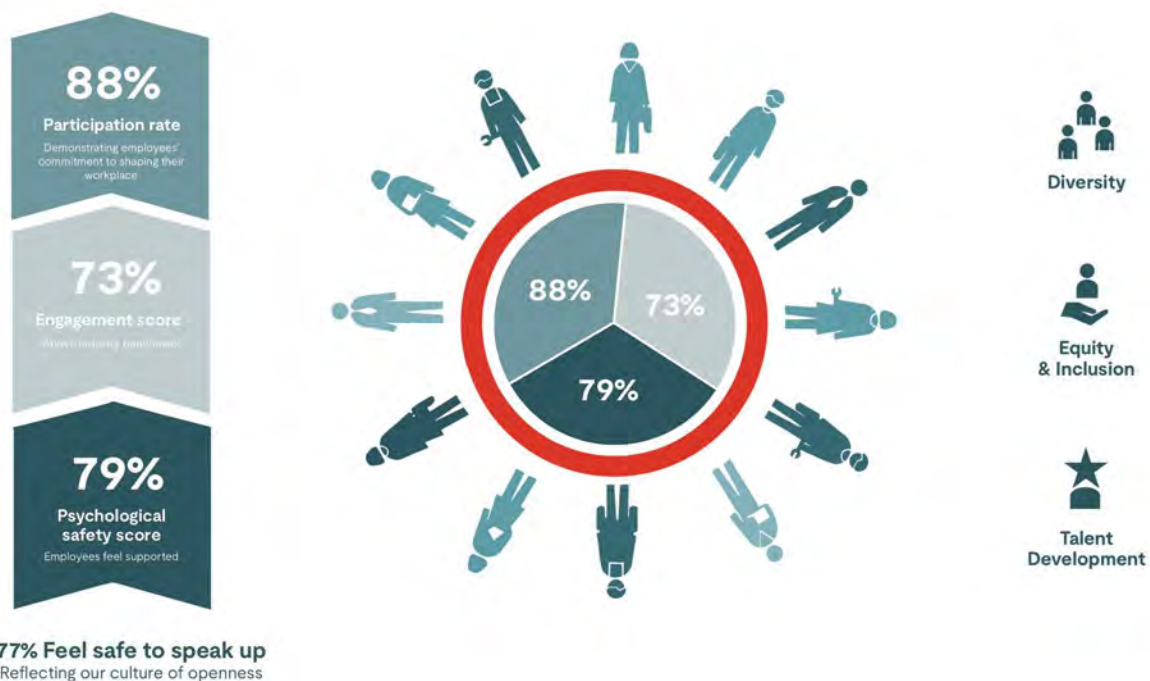
3.1 Own Workforce (ESRS S1)

3.1.1 Policies related to own workforce (S1-1)

- **Code of Conduct:** Defines expectations for ethical behavior, respect, inclusion, and human rights compliance across all operations.
- **Health & safety policy:** Commitment to zero harm through continuous safety improvement.
- **Diversity & inclusion policy:** Equal opportunity employment regardless of gender, ethnicity, age, or background. Gender balance targets for management positions. Zero tolerance for discrimination or harassment.
- **Training & development policy:** Support for continuous learning through technical, leadership, and digital skills programs. Career growth opportunities through internal mobility. Individual development plans for all employees.
- **Compensation policy:** Fair and competitive remuneration based on role, performance, market benchmarks, and equal pay for equal work principles.

3.1.2 Processes for engaging with own workers about impacts (S1-2)

Our 2025 global employee engagement survey, conducted across all operations with an 88% participation rate, provided key indicators on how employees experience their workplace through engagement, psychological safety, and culture dimensions.



- **Safety committees:** Established at all major sites with worker representation ensuring employee voice in safety decisions. Committees meet monthly to review incidents and improvement opportunities.
- **Employee engagement surveys:** Achieved an impressive 88% participation rate (2023: 90%). This score is a strong indication of employee commitment to shaping their workplace.
- **Regular communication:**
 - Quarterly CEO town halls provide company updates and strategic direction.
 - Local town halls organized by managing directors in German, Swiss and U.S. manufacturing plants provide updates on operational information.
 - Q&A sessions enable direct dialogue between leadership and employees.
- **Recognition programs:** Innovation awards celebrate creative problem-solving and continuous improvement.
- **Development conversations:** Individual development plans established for employees identifying career goals, skill development needs, and action plans.
- **Employee engagement metrics:** Overall, the survey results show areas of both strength and challenge.
 - **Employee Net Promoter Score (eNPS):** Dropped sharply to –20 (2023: +6) during CORE restructuring period.
 - **Employee engagement score:** Remains steady at 73 (2023: 77), which is still above the benchmark.
 - **Psychological safety survey result:** 79 (2023: 81)

3.1.3 Processes to remediate negative impacts for own workers to raise concerns (S1–3)

- **Business Ethics Hotline:** Three incidents reported to Bystronic's Business Ethics Hotline in 2025 (2024: four incidents) – all investigated and closed as unfounded.
- **Speak-up culture:** 77% of employees feel safe to speak up (2025).
- **Grievance mechanisms:** Established channels for employees to raise concerns confidentially and with non-retaliation protection.
- **Equal pay audits:** Audit conducted at Niederönz plant (Switzerland) in 2021 identified no significant gender pay gaps for comparable roles and experience levels. Audits to be repeated in 2026.
- **Root cause analysis:** Conducted for all recordable safety injuries with corrective actions implemented.

3.1.4 Taking action on material impacts on own workforce (S1–4)

3.1.4.1 Employee engagement

Based on the global employee survey analysis, Bystronic maintains strong fundamentals in engagement and culture, with employees generally feeling motivated, supported, and able to be themselves. Team spirit, collaboration within local teams, and trust in immediate managers remain key strengths, alongside a strong client focus and respectful leadership. These results confirm that most employees clearly understand expectations and feel empowered in their daily work, even if overall outcomes show a slight decline compared to previous years.

However, the survey, conducted after the company's restructuring and reorganization, highlights opportunities to improve alignment and collaboration across the organization. Employees find it difficult to see how their daily work links to the broader company strategy, and cross-functional cooperation remains limited due to silos and unclear accountability. Core processes require simplification, and while managers encourage development, tangible growth opportunities are lacking. The results also suggest a need for more open dialogue to foster innovation and constructive discussions.

Bystronic takes this feedback seriously. The top management and senior leaders have already reviewed key measures in dedicated workshops and defined further actions. At the team level, all managers have conducted follow-up discussions with their teams to agree on concrete actions. Sustainable improvement will depend on everyone's contribution – strengthening collaboration, transparency, and shared ownership across all levels of the company.

3.1.4.2 Health and safety actions

- **ISO 45001 certification:** Achieved at Bystronic Laser AG (Switzerland) and Bystronic Tianjin Laser Ltd. (China). Target: expand certification coverage.
- **Machine safety upgrades:** Existing equipment retrofitted with latest guarding and interlock systems.
- **Unconscious bias training for managers:** Addresses implicit biases in hiring, promotion, and performance evaluation decisions.
- **Mentorship program:** Pairs female high potentials with senior leaders for career guidance and sponsorship.
- **Promotion policies:** Explicitly prioritize female candidates when qualifications are equal.

3.1.4.3 Training and development actions

- **Technical skills training:**
 - CNC programming for press brake operations
 - Laser technology fundamentals and advanced applications
 - Automation systems integration and programming
 - Quality control and measurement techniques
- **Leadership development programs:**
 - Management fundamentals for new supervisors
 - Coaching and feedback skills for experienced managers
 - Change management during organizational transitions
 - Strategic thinking for senior leaders
- **Foundational Leadership Onboarding Training (new program of seven modules):**
 - Foundations of finance (e-learning)
 - Recruiting as a leader (e-learning)
 - Recruiting as a leader practical exercise (virtual instructor)
 - Principles of self-management (e-learning)
 - Principles of team-management (virtual instructor)
 - Message delivery (virtual instructor)
 - Performance management process (e-learning)
- **Digital skills upskilling:**
 - Data analytics and visualization
 - Industry 4.0 concepts and applications
 - AI and machine learning basics
 - Software tools for engineering and operations
- **Apprenticeship programs:** There were 66 apprentices across the Group in 2025 (2024: 81). Focus areas: mechatronics, industrial engineering, software development, business administration.
- **Flexible working arrangements:** Available where operationally feasible for office-based employees using hybrid working arrangements combining office and remote work.
- **Health promotion initiatives:**
 - Health screenings at major sites
 - Fitness program subsidies
 - Ergonomics assessments and workstation optimization
 - Mental health awareness campaigns
- **Sustainable commuting:**
 - EBuxi shuttle service renewed 2025 in Niederönz connecting public transport to facility
 - Bike programs at major sites with secure storage and shower facilities
 - Carpooling matching services
- **Parental leave:** 14 weeks paid leave for primary caregiver and two weeks for secondary caregiver in Switzerland, with country-specific policies meeting or exceeding local requirements in other locations.

3.1.4.4 Fair compensation actions

- **Compensation philosophy:** Fair and competitive pay based on role, performance, market benchmarks, and equal pay for equal work, supported by a globally implemented job architecture that ensures consistency, transparency, and comparability across the organization.
- **Transparent salary bands:** Provides clarity on compensation ranges for each role level.
- **Annual market benchmarking:** Ensures competitiveness with industry peers and regional labor markets.
- **Performance-based compensation:** Links individual performance to annual merit increases and bonuses.

3.1.5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1–5)

Gender diversity targets	Baseline	2030 target	2025	2024	2023	2022	2021
Women in management	20% (2023)	≥25%	26%	19%	20%		
Overall workforce female			17%	16%	16%	15%	15%

3.1.5.1 Status 2025

Management diversity increased from 20% in 2023 to 26% in 2025, exceeding our 2030 target (>25%).

This development reflects several organizational changes. As part of Bystronic's restructuring, some administrative and part-time roles were phased out, and a hiring freeze affected recruitment into certain non-management positions. At the same time, the reorganization reduced hierarchies, leading to a redefinition of management scope. Management positions are now defined at the N-2 level rather than N-3, which has increased the proportion of women within the management population.

3.1.5.2 Outlook 2026

Hierarchical levels alone are not a fully meaningful metric, as they reflect organizational design rather than job responsibility or remuneration. To enable a more robust and comparable monitoring of diversity, we will introduce job grades as complementary metrics.

Health & safety targets	2030 target	2025	2024	2023	2022	2021
Total recordable injury rate (TRIR)	≤0.8	1.15	1.59	1.94	1.4	1.59

TRIR = total recordable injuries per 100 full-time employees (per 200,000 worked hours)

Analysis: TRI rate now at 1.15, showing positive effect of accelerated actions implemented to reach 2030 target of ≤0.8. Zero fatalities in 2025.

3.1.6 Characteristics of the company's employees (S1–6)

Total workforce	2025	2024	2023	2022	2021
Total employees	2,899	3,193	3,498	3,609	3,543
Male	83%	84%	84%	85%	85%
Female	17%	16%	16%	15%	15%

Employment type

Permanent contracts	2025	2024	2023	2022	2021
Total permanent	2,891	3,155	3,455	3,550	3,474
Male	83%	84%	84%	85%	85%
Female	17%	16%	16%	15%	15%
Temporary contracts	2025	2024	2023	2022	2021
Total temporary	8	38	43	59	69
Male	25%	87%	81%	77%	72%
Female	75%	13%	19%	23%	28%

As part of the CORE restructuring, several administrative and temporary contracts were eliminated.

Full-time vs part-time

Working time	2025	2024	2023	2022	2021
Full-time	2,763	3,075			
Male	84%	85%	85%	86%	86%
Female	16%	15%	15%	14%	14%
Part-time	128	118			
Male	73%	70%	70%	65%	61%
Female	27%	30%	30%	35%	39%
By region	2025	2024	2023	2022	2021
Americas	11%	10%	11%	10%	8%
EMEA	54%	58%	57%	55%	53%
APAC	6%	6%	6%	6%	6%
China	29%	26%	26%	29%	33%
By age group	2025	2024	2023		
< 30 years	12%	11%	12%		
30–50 years	64%	65%	54%		
> 50 years	24%	24%	21%		
Employee turnover	2025	2024	2023	2022	2021
Total turnover rate	22%	17%	16%	17%	13%
Total turnover (#)	750	492	461	464	440
Voluntary turnover rate	6.8%	9.0%	8.9%	5.4%	6.8%
New hires	2025	2024	2023	2022	2021
New employees hired	436	253	474	739	858
Male	75%	77%	78%	81%	84%
Female	25%	23%	22%	19%	16%

3.1.7 Characteristics of non-employee workers in the company's own workforce (S1-7)

Apprentices	2025	2024	2023	2022	2021
Number of apprentices	66	81	84	95	101

Focus areas: Mechatronics, industrial engineering, software development, business administration.

3.1.8 Collective bargaining coverage and social dialogue (S1-8)

Collective bargaining	2025	2024	2023	2022	2021
Employees under collective bargaining agreement (#)	1,128	1,039	1,198	1,213	1,130
Share of employees (%)	39%	33%	34%	34%	32%

3.1.9 Diversity metrics (S1-9)

The post-restructuring organization became flatter, requiring a redefinition of management scope. Management positions are now defined at the N-2 level rather than N-3, which resulted in the inclusion of a higher proportion of women in the management population.

Gender distribution – governance bodies

Board of Directors (BoD)	2025	2024	2023	2022	2021
Total members	8	8	8	7	7
Male	6	6	6	6	7
Female	2	2	2	1	0
Female %	25%	25%	25%	14%	0%

Extended Executive Committee (EEC) through 2024 and then Executive Committee (EC) in 2025:

Executive Committee (EC)	2025	2024	2023	2022	2021
Total members	4	10	13	13	13
Male %	100%	90%	92%	85%	85%
Female %	0%	10%	8%	15%	15%

Analysis: As part of a comprehensive restructuring in 2024, Bystronic replaced its regional structure with a divisional one and reduced the size of the Executive Committee to four members.

Employees reporting directly to EEC through 2024 and then Executive Committee in 2025:

EC direct reports	2025	2024	2023	2022	2021
Total	46	83	93	96	90
Male %	78%	78%	76%	78%	79%
Female %	22%	22%	24%	22%	21%

– Age distribution – reports to EC:

- < 30 years: 3%
- 30–50 years: 54%
- > 50 years: 43%

Gender distribution – management

Management positions up to N-3 until 2024 and up to N-2 in 2025:

Managers	2030 target	2025	2024	2023
Total managers		119	257	262
Male %	<75%	74%	81%	80%
Female %	>25%	26%	19%	20%

Analysis: The post-restructuring organization became flatter, requiring a redefinition of management scope. Management positions are now defined at the N-2 level rather than N-3, which resulted in the inclusion of a higher proportion of women in the management population.

– Regional distribution – management N-2:

- EMEA: 68%
- Americas: 7%
- APAC: 6%
- China: 19%

– Age distribution – management N-2:

- < 30 years: 3%
- 30–50 years: 54%
- > 50 years: 43%

3.1.10 Adequate wages (S1-10)**Compensation ratio:**

Compensation ratio	2025	2024	2023	2022	2021
Annual total compensation ratio	18:1	14.1:1	19:1	13.9:1	14:1

- **Adequate wage commitment:** Fair and competitive remuneration based on role, performance, market benchmarks, and equal pay for equal work principles.
- **Market benchmarking:** Annual market benchmarking ensures competitiveness with industry peers and regional labor markets.

3.1.11 Social protection (S1-11)

- **Parental leave policy:**
 - Primary caregiver: 14 weeks paid leave (Switzerland)
 - Secondary caregiver: 2 weeks paid leave (Switzerland)
 - Country-specific policies meet or exceed local requirements.
- **Health insurance/pension/social security:**
 - Employees of Bystronic are covered by social protection systems, including social security, health care, accident insurance, and old-age and retirement benefits. In Switzerland, employees benefit from statutory social security programs covering old-age and survivors' benefits, disability, unemployment, health and accident insurance, complemented by occupational pension arrangements with employer and employee contributions. Employees in other countries are covered by applicable local statutory social protection systems and, where relevant, employer-supported supplementary benefits.

3.1.12 Training and skills development metrics (S1-13)**Training hours**

Training	2,025	2,024	2,023	2,022	2,021
Total training hours	47,676	74,104	-	-	-
Average hours per employee	16	23	-	-	-
Average hours - male	19	26	-	-	-
Average hours - female	5	10	-	-	-

Analysis: Reduced number of trainings in the DNE business unit while the Systems division maintained its number of trainings. The gender gap in average training hours reflects the composition of training programs: a significant share of total training hours is allocated to technical service and maintenance roles, which are predominantly filled by males.

- **Training programs**
 - **Technical skills:** CNC programming, laser technology, automation systems, quality control
 - **Leadership development:** management fundamentals, coaching, change management, strategic thinking
 - **Digital skills:** data analytics, Industry 4.0, AI/ML basics, software tools

3.1.13 Health and safety metrics (S1-14)**3.1.13.1 Management system coverage**

- **Safety training:** Annual safety training programs for manufacturing employees
- **Safety committees:** Active at all major sites with worker participation in monthly meetings

Incident metrics at manufacturing sites

Workplace safety	2025	2024	2023	2022	2021
Total recordable injury rate (TRIR)	1.15	1.59	1.94	1.4	1.59
Total recordable injuries (#)	17	25	35	27	31
Days lost due to injuries	245	374	354	147	0
High consequence injuries (#)	0	0	0	1	0
Fatalities (#)	0	0	1	0	0
Hours worked (manufacturing)	2,966,466	3,136,998	3,603,464	3,863,592	3,911,171

TRIR = Total recordable injuries per 100 full-time employees (per 200,000 worked hours)

Analysis: Injury types – typical injuries associated with bending and automation machines include cuts and abrasions from sheet metal edges, pinching of fingers, bruises, and musculoskeletal strain related to manual handling or repetitive movements.

Number of injuries at manufacturing sites decreased in 2025. Important steps such as ISO 45001 in Niederösterreich had good results, however we acknowledge further progress is required to reach our target in 2030.

- **Safety audits:** At Bystronic Laser AG, we conduct a safety inspection every two weeks and an annual internal audit.

Psychological safety

Psychological safety	2025	2024	2023	2022	2021
Survey result (scale 1-100)	79	No survey	81	No survey	80

3.1.14 Work-life balance (S1-15)

- **Flexible working arrangements:** available where operationally feasible for office-based employees using hybrid working arrangements combining office and remote work.

3.2 Workers in the Value Chain (ESRS S2)

3.2.1 Policies related to value chain workers (S2-1)

Bystronic's Supplier Code of Conduct, implemented in 2023–2024, prohibits forced labor, human trafficking, and child labor (minimum age 15), while requiring freedom of association, non-discrimination, fair wages that meet living wage minimums, reasonable working hours (maximum 60 hours per week), and safe working conditions. Coverage reaches 100% of new suppliers with active acknowledgment among existing suppliers. The Human Rights Policy published in 2024 establishes a commitment to international standards, due diligence processes, and remediation procedures consistent with UN Guiding Principles on Business and Human Rights.

3.2.2 Processes for engaging with value chain workers and workers' representatives about impacts (S2-2)

The Human Rights Due Diligence process screens over 2,000 suppliers for conflict minerals, child labor and forced labor risks. Suppliers flagged undergo a detailed assessment through questionnaires, documentation review, and audits. The EcoVadis platform coverage reached 20% of purchase volume in 2025, representing 120 suppliers assessed; targeting 30% by 2026.

3.2.3 Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

The Business Ethics Hotline provides confidential 24/7 reporting in multiple languages with a zero-retaliation policy. Three incidents were reported in 2025. Suppliers with confirmed risks implement remediation plans with Bystronic support. Suppliers scoring below 45/100 on EcoVadis develop Corrective Action Plans with a 12-month reassessment.

3.2.4 Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities (S2-4)

Value chain workers	2025	2024	2023
Suppliers screened	2,000+	2,000+	-
Confirmed violations	0	0	-
Supplier audits conducted	5	4	-
Average EcoVadis labor & HR score	54	52	-

Analysis: Zero confirmed violations across 2,000+ suppliers indicate effective selection and management. Five total audits were conducted: China (3), Poland (1) and Italy (1). Resulted in zero critical findings. Average Labor & HR score improved to 54/100, above industry average of 48. Salient risks include excessive working hours and occupational health and safety (moderate risk). Child labor, forced labor, and discrimination assessed as low risk in Tier 1 and 2 suppliers.

3.2.5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5)

EcoVadis coverage	2026 target	2025	2024	2023	2022
Coverage (% purchase volume)	30%	20%	15%	10%	5%
Average EcoVadis labor & HR score	60	54	52	-	-

3.3 Consumers and End-Users (ESRS S4)

3.3.1 Policies related to consumers and end-users (S4-1)

The Board-approved Product Safety and Quality Policies in each plant commit to compliance with all local safety regulations (like CE¹, UL² in EMEA, America), continuous safety improvement, clear documentation and support, and integration of safety throughout the product lifecycle. ISO 9001:2015 certification covers 78% of manufacturing sites with comprehensive quality controls and traceability systems. For connected equipment, GDPR compliance, data encryption, and security assessments protect customer data. The Product Eco-design Policy integrates energy efficiency, material selection, and recyclability into design, conducts lifecycle assessments, and provides sustainability data supporting customer reporting needs.

¹⁾ CE marking

²⁾ Certification & safety standards

3.3.2 Processes for engaging with consumers and end-users about impacts (S4-2)

Demo centers in Switzerland, USA, China, Germany, UK, Sweden and Korea host approximately 500 customer visits annually. Technical training programs build operator and maintenance skills through classroom, on-site, and online training with thousands trained annually. The CRM system monitors feedback and safety incidents, processing over 100,000 customer requests in 2025.

3.3.3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

Customers report safety concerns through the CRM customer portal (myBystronic), by direct contact, and through our service network. Root cause analysis is conducted for all significant incidents, followed by design improvements, field modifications, and customer communications. Our service network provides regional centers, certified technicians, remote diagnostics, and spare parts availability.

3.3.4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities (S4-4)

Products incorporate comprehensive safety features. Laser systems include protective cabins, safety interlocks, emergency stops, and exhaust systems. Press brakes feature two-hand controls, light curtains, and finger guards. Automation systems include safety fencing, presence detection, and safe stop functions. Our products support high safety standards and undergo CE, UL certification testing required in some regions (EMEA/Americas) before release.

Energy efficiency features include next-generation chillers targeting an over 30% improvement versus current generation. AI-powered process optimization reduces material waste. Modular architecture enables upgrades and component reuse. LCA data supports customer Scope 3 reporting including energy consumption, material composition, and end-of-life scenarios.

3.3.5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

Product safety	2025	2024	2023	2022	2021
Product-related fatalities reported	0	0	0	0	0
Customer injuries reported	5	2	1	1	3
Product recalls	0	0	0	0	0

Analysis: Zero fatalities and zero recalls in 2025. Five customer injuries reported, requiring continued focus on training and safety features.

4 Responsible business (combating corruption & safeguarding human rights)

Business Conduct (ESRS G1)

4.1 Materiality assessment

Business conduct was assessed as material in the double materiality assessment. Ethical business practices create both impact materiality (affecting stakeholders' rights and trust) and financial materiality (regulatory compliance, reputational risks, and license to operate).

Governance: The Board of Director's Audit and Risk Committees oversee business conduct with annual reviews of the ethics program effectiveness, investigation outcomes, and key performance metrics.

4.2 Business Conduct Policies and Corporate Culture (G1-1)

- **Code of Conduct:** Bystronic's Code of Conduct (updated 2023) establishes ethical principles covering anti-corruption, fair competition, human rights, environmental responsibility, data privacy, conflicts of interest, and accurate reporting.
- **Coverage:** Mandatory for all employees, Board members, and contractors.
- **Corporate culture:** Bystronic fosters an ethical culture through leadership commitment, speak-up culture, ethics guidance, and recognition of ethical behavior. Violations result in disciplinary action up to termination.
- **Training:**
 - New employees: mandatory Code of Conduct training
 - Functions-at-risk: enhanced anti-corruption training for Sales, Procurement, Government Affairs, Finance
- **Whistleblowing mechanism:** Independent third-party hotline (EthicsPoint) accessible 24/7 in 40+ countries via telephone, web portal, mobile app, email, and in-person reporting.
- **Scope:** Corruption, bribery, fraud, conflicts of interest, discrimination, harassment, environmental violations, data breaches, human rights violations, supplier code violations, and retaliation.
- **Protections:** Confidential and anonymous (where permitted by law).
- **Zero-tolerance for retaliation:** Investigation process: report → assessment → investigation (30–60 days) → findings → remediation → report to governance.
- **2025 performance:** Three total reports received; all investigated and closed as unfounded. Zero retaliation incidents.

4.3 Management of Relationships with Suppliers (G1-2)

- **Supplier Code of Conduct:** Establishes minimum requirements for labor practices, human rights, environmental responsibility, business ethics, and management systems. Contractually binding through purchase agreements.
- **Risk-based due diligence:** Suppliers categorized by risk (spend, geography, product category, strategic importance):
 - **High risk:** comprehensive ESG assessment (EcoVadis) required
 - **Medium risk:** self-assessment questionnaire
 - **Low risk:** standard contractual requirements
- **Supplier development:** Corrective action plans for low performers, capability building support, re-assessment after 12–18 months, recognition for high performers.
- **Engagement:** Annual supplier summit, quarterly webinars, carbon disclosure program (target 50% key suppliers by 2030), collaborative innovation (SSAB partnership on recycled/fossil-free steel).
- **Human Rights Due Diligence (HRDD):** First HRDD conducted in 2023. Zero confirmed violations among assessed suppliers. Human Rights Policy published in 2024.

4.4 Prevention and Detection of Corruption and Bribery (G1-3)

- **Anti-Corruption Policy:** Zero-tolerance for all forms of corruption including bribery, facilitation payments, kickbacks, political contributions, charitable donations as bribes, and improper gifts/hospitality.
- **Gift & Hospitality Policy:** Must not exceed the local limit (Max CHF 100/gift in Switzerland).
- **Third-party due diligence:** Comprehensive screening of agents, distributors, and consultants, including integrity questionnaires, sanctions checks, adverse media reviews, and verification of beneficial ownership.
- **Internal controls:**
 - automated payment system controls
 - management review of high-value transactions
- **Training:** Anti-corruption training mandatory for at-risk functions (Sales, Procurement, Government Affairs, Finance).

4.5 Confirmed Incidents of Corruption or Bribery (G1-4)

Performance: Zero confirmed incidents of corruption or bribery for four-year period (2022–2025).

Ethics Hotline	2025	2024	2023	2022
Incidents reported to Business Ethics Hotline	3	4	4	0
Confirmed corruption/bribery incidents	0	0	0	0

Analysis: Three allegations reported and investigated; concluded unfounded

4.6 Political Influence and Lobbying Activities (G1-5)

The company participates in industry associations relevant to its business activities. These memberships are primarily aimed at technical exchange, market development, and regulatory monitoring. During the reporting period, the company did not engage in material political influence or lobbying activities, nor did it make political contributions or mandate industry associations to lobby on its behalf.

- **Key associations:** VDMA (German machinery manufacturers), Swissmem (Swiss engineering), CECIMO (European machine tools), AMT (U.S. manufacturing technology), CMTBA (China machinery).
- **Governance:** Association policy positions reviewed for alignment with Bystronic values.

4.7 Payment Practices (G1-6)

Standard payment terms: Standard payment terms from Bystronic to suppliers are typically net 60 days from the invoice date, though this can vary by contract and location. In some cases, payment terms are net 30 days from the invoice date for specific types of agreements. To be paid, suppliers must first meet prerequisites like providing signed lien waivers and properly executed invoices.

4.8 Data Privacy and Cybersecurity (G1-7)

Bystronic manages data privacy and cybersecurity as core components of its governance and risk management framework. The company complies with the EU General Data Protection Regulation (GDPR) and maintains privacy notices in line with local legal requirements, outlining the purposes and legal basis for personal data processing as well as data subject rights. Dedicated privacy documentation, including a business partner data protection notice, is publicly available on Bystronic's website.

Cybersecurity is overseen by the Group IT and Security function and regularly reviewed by the Audit Committee of the Board of Directors. Bystronic has implemented ISO 27001-aligned information security controls covering access management, endpoint protection, network segmentation, and multi-factor authentication. The company partners with external specialists such as NanoLock Security to strengthen machine-level and operational technology (OT) protection. Independent audits and assessments are carried out to evaluate IT resilience and the effectiveness of cybersecurity measures.

In 2025, the company reported no material data privacy breaches or confirmed cybersecurity incidents. Employee awareness remains a central preventive measure, supported by mandatory information-security training and periodic phishing simulations. Bystronic continues to enhance its cyber risk management through regular monitoring, continuous improvement, and quantification of cyber risk exposure using external benchmarking tools.

About this report

Conclusion and forward-looking statement

Sustainability is not a separate initiative at Bystronic – it is integrated into strategy, operations, products, and culture. This report reflects our commitment to transparency and accountability. We acknowledge that the journey is ongoing, challenges remain, and continuous improvement is essential.

Key 2025 achievements

SBTi validation in April 2025 confirming near-term targets. The U.S. renewable transition contributes to ongoing emission reductions. Zero confirmed corruption incidents maintaining ethical conduct. Strong safety commitment with decreasing TRIR. Waste reduction target exceeded early.

Areas for acceleration

Employee engagement and satisfaction (eNPS down during CORE restructuring). Women in management advancement using improved measurement (job grades deployment). Supply chain sustainability deepening through expanded EcoVadis coverage and supplier capability building. Product LCA expansion to 100% of portfolio supporting customer reporting. Circular economy scaling through commercialization of refurbishment services.

We thank all stakeholders – employees, customers, suppliers, investors, and communities – for their support, collaboration, and constructive engagement. Together, we are helping shape a sustainable future for sheet metal and more.

Report approval

This Bystronic CSRD Sustainability Report 2025 has been prepared in reference to the European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD).

Report scope

January 1–December 31, 2025

Reporting standards

ESRS (main topic compliance); EU Taxonomy regulation (main topic disclosure); TCFD (integrated within ESRS E1)

Board approval

This report was reviewed and approved by the Board of Directors of Bystronic AG on February 23, 2026.

Contact information

For questions, feedback, or additional information regarding this Sustainability Report or Bystronic's ESG performance, please contact:

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General Information

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Report downloads

This report, along with prior Sustainability Reports, methodology report and supporting documentation is available for download at: www.bystronic.com/sustainability

Feedback

Bystronic welcomes stakeholder feedback on this report and our sustainability performance. Please submit comments, questions, or suggestions [here](#).

Zurich, February 26, 2026



Dr. Heinz O. Baumgartner
Chairman of the Board of
Directors



Dr. Roland Abt
Chairman of the Audit
Committee

Annex

ESRS Content Index

The following tables provide an overview of the European Sustainability Reporting Standards (ESRS) disclosures included in this report, their locations, and explanations for any omissions. This index is provided as a voluntary navigability aid. The mandatory list of material topics and disclosure coverage is presented in [section 1.6.2 \(IRO-2\)](#).

ESRS 2 – General Disclosures

ESRS	Disclosure	Location	Omission / Notes
Basis for preparation			
ESRS 2	General basis for preparation (BP-1)	Section 1.3.1	
ESRS 2	Disclosures in relation to specific circumstances (BP-2)	Section 1.3.2	
Governance			
ESRS 2	Role of administrative, management and supervisory bodies (GOV-1)	Section 1.4.1; Corporate Governance Report	
ESRS 2	Information provided to and sustainability matters addressed (GOV-2)	Section 1.4.2	
ESRS 2	Integration of sustainability performance in incentive schemes (GOV-3)	Section 1.4.3; Compensation Report	
ESRS 2	Statement on due diligence (GOV-4)	Section 1.4.4	
ESRS 2	Risk management and internal controls (GOV-5)	Section 1.4.5	Integrated in identification of material IROs
Strategy and business model			
ESRS 2	Strategy, business model and value chain (SBM-1)	Section 1.5.1	
ESRS 2	Interests and views of stakeholders (SBM-2)	Section 1.5.2	
ESRS 2	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)	Sections 1.6.1.1 – 1.6.1.4	
Impact, risk and opportunity management			
ESRS 2	Description of processes to identify and assess material IROs (IRO-1)	Section 1.6.1	
ESRS 2	Disclosure requirements in ESRS covered by sustainability statement (IRO-2)	Section 1.6.2	
ESRS 2	Climate Scenario Analysis (IRO-1)	Section 2.1	
EU Taxonomy			
EU Taxonomy Reg. EU Taxonomy Disclosure (Article 8)		Section 2.2	
EU Taxonomy Reg. Alignment assessment approach		Section 2.2.1	
EU Taxonomy Reg. KPI definitions (revenue, CapEx, OpEx)		Sections 2.2.2 – 2.2.4	OpEx omitted due to immateriality (<1%)

Environmental Disclosures

ESRS	Disclosure	Location	Omission / notes
Climate change (ESRS E1)			
ESRS E1	Transition plan for climate change mitigation (E1-1)	Section 2.3.1	
ESRS E1	Policies related to climate change mitigation and adaptation (E1-2)	Section 2.3.2	
ESRS E1	Actions and resources in relation to climate change policies (E1-3)	Section 2.3.3	
ESRS E1	SBTi-validated targets	Section 2.3.3.1	
ESRS E1	Decarbonization actions (operational, value chain, product innovation)	Section 2.3.4	
ESRS E1	Targets related to climate change mitigation and adaptation (E1-4)	Section 2.3.5	
ESRS E1	Energy consumption and mix (E1-5)	Section 2.3.6	
ESRS E1	Scopes 1, 2, 3 and total GHG emissions (E1-6)	Section 2.3.7	
ESRS E1	GHG removals and GHG mitigation projects financed through carbon credits (E1-7)	—	Not applicable. Bystronic does not use carbon credits or claim GHG removals.
ESRS E1	Internal carbon pricing (E1-8)	—	Not applicable. Internal carbon pricing not yet implemented; under evaluation for future reporting.
ESRS E1	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9)	—	Information unavailable. Quantification of financial effects in progress; qualitative assessment in Section 2.1.
ESRS E1	Customer decarbonization impact	Section 2.3.8	Own disclosure
ESRS E1	Product efficiency features	Section 2.3.8.1	Own disclosure
ESRS E1	Life Cycle Assessment program	Section 2.3.8.2	Own disclosure
ESRS E1	Customer engagement	Section 2.3.8.3	Own disclosure
Water & marine resources (ESRS E3)			
ESRS E3	Policies related to water and marine resources (E3-1)	Section 2.4.1	
ESRS E3	Actions and resources related to water and marine resources (E3-2)	Section 2.4.2	
ESRS E3	Targets related to water and marine resources (E3-3)	Section 2.4.3	Data coverage: 6 of 9 manufacturing sites. Expansion in progress.
ESRS E3	Water consumption performance in areas at water risk (E3-4)	Section 2.4.3	Partial. Tianjin site identified as high water stress.
ESRS E3	Anticipated financial effects from water and marine resources (E3-5)	—	Information unavailable. Quantification in progress for future periods.
Resource use & circular economy (ESRS E5)			
ESRS E5	Policies related to resource use and circular economy (E5-1)	Section 2.5.1	
ESRS E5	Actions and resources related to resource use and circular economy (E5-2)	Section 2.5.2	
ESRS E5	Resource inflows (E5-4)	Section 2.5.3	
ESRS E5	Resource outflows – waste (E5-5)	Section 2.5.4	
ESRS E5	Anticipated financial effects from resource use and circular economy (E5-6)	Section 2.5.5	Qualitative outlook. Full financial quantification in progress.
Non-material environmental topics			
ESRS E2	Pollution	—	Not material per double materiality assessment (Section 1.6.2). Reassessment planned 2027.
ESRS E4	Biodiversity and ecosystems	—	Not material per double materiality assessment (Section 1.6.2). Reassessment planned 2027.

Social Disclosures

ESRS	Disclosure	Location	Omission / notes
Own workforce (ESRS S1)			
ESRS S1	Policies related to own workforce (S1-1)	Section 3.1.1	
ESRS S1	Processes for engaging with own workers about impacts (S1-2)	Section 3.1.2	
ESRS S1	Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)	Section 3.1.3	
ESRS S1	Taking action on material impacts on own workforce (S1-4)	Section 3.1.4	
ESRS S1	Targets related to managing material impacts, advancing positive impacts, and managing risks and opportunities (S1-5)	Section 3.1.5	
ESRS S1	Characteristics of the company's employees (S1-6)	Section 3.1.6	
ESRS S1	Characteristics of non-employee workers in own workforce (S1-7)	Section 3.1.7	Limited to apprentices. Bystronic does not have material non-employee workers.
ESRS S1	Collective bargaining coverage and social dialogue (S1-8)	Section 3.1.8	
ESRS S1	Diversity metrics (S1-9)	Section 3.1.9	
ESRS S1	Adequate wages (S1-10)	Section 3.1.10; Compensation Report	
ESRS S1	Social protection (S1-11)	Section 3.1.11	
ESRS S1	Persons with disabilities (S1-12)	—	Information unavailable. Bystronic does not currently collect consolidated disability data. Improvement planned.
ESRS S1	Training and skills development metrics (S1-13)	Section 3.1.12	
ESRS S1	Health and safety metrics (S1-14)	Section 3.1.13	Work-related ill health not tracked; improvement planned.
ESRS S1	Work-life balance (S1-15)	Section 3.1.14	
ESRS S1	Compensation metrics (pay gap) (S1-16)	—	Information unavailable. Equal pay audit conducted in 2021 at Niederönz; next audit planned 2026. Group-wide data in development.
ESRS S1	Incidents, complaints and severe human rights impacts (S1-17)	Section 3.1.3	3 Business Ethics Hotline reports in 2025; all investigated, concluded unfounded.
Workers in the value chain (ESRS S2)			
ESRS S2	Policies related to value chain workers (S2-1)	Section 3.2.1	
ESRS S2	Processes for engaging with value chain workers about impacts (S2-2)	Section 3.2.2	
ESRS S2	Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)	Section 3.2.3	
ESRS S2	Taking action on material impacts on value chain workers (S2-4)	Section 3.2.4	
ESRS S2	Targets related to managing material impacts (S2-5)	Section 3.2.5	

Consumers and end-users (ESRS S4)

ESRS S4	Policies related to consumers and end-users (S4-1)	Section 3.3.1
ESRS S4	Processes for engaging with consumers and end-users about impacts (S4-2)	Section 3.3.2
ESRS S4	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)	Section 3.3.3
ESRS S4	Taking action on material impacts on consumers and end-users (S4-4)	Section 3.3.4
ESRS S4	Targets related to managing material impacts (S4-5)	Section 3.3.5

Non-material social topics

ESRS S3	Affected communities	—	Not material per double materiality assessment (Section 1.6.2). Reassessment planned in 2027.
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Governance Disclosures

ESRS	Disclosure	Location	Omission / notes
Business conduct (ESRS G1)			
ESRS G1	Materiality assessment	Section 4.1	
ESRS G1	Business conduct policies and corporate culture (G1-1)	Section 4.2	
ESRS G1	Management of relationships with suppliers (G1-2)	Section 4.3	
ESRS G1	Prevention and detection of corruption and bribery (G1-3)	Section 4.4	
ESRS G1	Confirmed incidents of corruption or bribery (G1-4)	Section 4.5	Zero confirmed incidents 2022–2025.
ESRS G1	Political influence and lobbying activities (G1-5)	Section 4.6	No material political contributions or lobbying.
ESRS G1	Payment practices (G1-6)	Section 4.7	
ESRS G1	Data privacy and cybersecurity (G1-7)	Section 4.8	Zero material breaches in 2025.

OR 964**Disclosures in accordance with Art. 964a–c and Art. 964j–l Swiss Code of Obligations**

This report fulfills the non-financial reporting requirements under Swiss law. The table below maps each requirement to the relevant sections of this CSRD-aligned Sustainability Report.

Art. 964 CO requirement	Location
General Information	
Business model and strategy	Section 1.1 Introduction Section 1.5.1 Strategy, business model and value chain (SBM-1)
Sustainability strategy and approach	Section 1.3 Basis for preparation Section 1.5.3 Sustainability journey
Material topics and materiality assessment	Section 1.6.1 Double materiality assessment (IRO-1) Section 1.6.2 Disclosure requirements (IRO-2)
Non-financial matters	
Environmental matters – climate change	Section 2.1 Climate scenario analysis Section 2.2 EU Taxonomy Disclosure Section 2.3 Climate Change (ESRS E1)
Environmental matters – water	Section 2.4 Water & Marine Resources (ESRS E3)
Environmental matters – circular economy	Section 2.5 Resource Use & Circular Economy (ESRS E5) Section 3.3 Consumers and End-Users (ESRS S4)
Employee-related issues – diversity & inclusion	Section 3.1.5 Gender Diversity Targets (S1-5) Section 3.1.9 Diversity Metrics (S1-9)
Employee-related issues – talent attraction & development	Section 3.1.4 Taking Action on Own Workforce (S1-4) Section 3.1.12 Training Metrics (S1-13)
Employee-related issues – occupational health & safety	Section 3.1.4 Taking Action on Own Workforce (S1-4) Section 3.1.13 Health and Safety Metrics (S1-14)
Social-related issues – value chain workers	Section 3.2 Workers in the Value Chain (ESRS S2)
Respect for human rights	Section 1.4.4 Statement on Due Diligence (GOV-4) Section 3.2.1 Supplier Code of Conduct (S2-1) Section 4.2 Business Conduct Policies (G1-1) Section 4.3 Supplier Relationships (G1-2)
Combating corruption	Section 4.4 Prevention and Detection of Corruption (G1-3) Section 4.5 Confirmed Incidents (G1-4)

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Report of the Audit Committee



“With the addition of Bystronic Rofin, we gain access to new markets.”

Dr. Roland Abt
Chairman of the Audit Committee

The Audit Committee continued to consist of Dr. Matthias Auer, Felix Schmidheiny and Dr. Roland Abt (Chairman) for the reporting year 2025. Four regular meetings were held during the reporting year. In addition to the members of the Audit Committee, the Chairman of the Board of Directors, the CEO, and the CFO generally also attend the meetings in an advisory capacity. Where items of relevance to the external auditors are on the agenda, their representatives are also present. The Audit Committee regularly monitors management's progress in addressing follow-up items identified during the audits. In addition to the Audit Committee's typical responsibilities, primarily the analysis of the Annual and Half-Year Financial Statements, the following topics were covered in depth.

The internal audit was carried out, as usual, by an external auditing firm, EY. Three internal audit reports were submitted during the reporting year.

The Audit Committee has reviewed the Group's Sustainability Report. Its scope and quality have improved significantly in recent years. This Year's Annual Report includes all information and data on non-financial matters (Art. 964a ff. CO). The Sustainability Report follows the CSRD framework and is an integral part of the Annual Report.

The due diligence conducted prior to the acquisition of the Tools for Materials Processing business unit of US-based Coherent Corp. was closely monitored by the Audit Committee. The work was supported by an external auditing firm and a renowned law firm.

The Audit Committee has undertaken a review of the Group's hedging strategy in response to the strengthening of the Swiss franc (CHF) against most other currencies. The review focused on evaluating the ongoing suitability and effectiveness of Bystronic's existing foreign exchange risk management approach, taking into account current market conditions and their potential impact on the Group's financial results and risk profile.

The Group's customer financing program is part of the Audit Committee's oversight responsibility. It was discussed in the December 2025 meeting. The review focused on the program's structure, risk management framework, and compliance with applicable policies and controls.

A handwritten signature in black ink, appearing to read 'Roland Abt', written in a cursive style.

Dr. Roland Abt
Chairman of the
Audit Committee

Consolidated income statement

CHF million	Note	2025	2024
Net sales	1.1	613.2	648.3
Other operating income	1.4	3.3	5.2
Changes in inventories of unfinished and finished goods		-1.8	-8.8
Material expenses	1.5	-255.2	-273.5
Personnel expenses	1.5	-208.9	-248.3
Other operating expenses	1.5	-156.6	-181.1
Depreciation and impairment on fixed assets	2.3	-10.8	-18.4
Amortization and impairment on intangible and financial assets	2.4/2.5	-2.9	-7.5
Operating result (EBIT)		-19.8	-84.0
Financial income	3.3	5.6	9.3
Financial expenses	3.3	-6.9	-8.2
Result before income taxes		-21.0	-82.8
Income taxes	1.6	-7.9	15.3
Net result		-28.9	-67.6
Attributable to shareholders of Bystronic AG		-28.9	-67.6
Earnings per class A registered share in CHF (diluted/basic)	1.7	-14.00	-32.67
Earnings per class B registered share in CHF (diluted/basic)	1.7	-2.80	-6.53

Consolidated balance sheet

CHF million	Note	12/31/2025	12/31/2024
ASSETS			
Current assets			
Cash and cash equivalents	3.1	180.7	123.0
Securities	3.1	150.0	200.0
Trade receivables	2.2	80.4	94.4
Prepayments to suppliers		9.3	4.3
Other receivables	2.2	28.3	29.3
Inventories	2.2	183.7	200.8
Prepaid expenses and accrued income		13.0	13.6
Total current assets		645.4	665.5
Non-current assets			
Fixed assets	2.3	108.2	116.9
Intangible assets	2.4	6.5	8.0
Financial assets	2.5	58.1	98.9
Deferred tax assets	1.6	27.4	31.7
Total non-current assets		200.1	255.6
TOTAL ASSETS		845.5	921.1
LIABILITIES			
Current liabilities			
Short-term financial liabilities		2.5	0.0
Trade payables		50.9	40.6
Advance payments from customers	2.2	83.4	96.0
Other short-term liabilities	2.2	15.6	23.4
Short-term provisions	2.6	14.3	37.7
Accrued expenses and deferred income	2.2	67.4	68.9
Total current liabilities		234.1	266.6
Non-current liabilities			
Pension fund liabilities	5.1	0.0	0.6
Long-term provisions	2.6	15.7	16.3
Deferred tax liabilities	1.6	0.4	0.4
Total non-current liabilities		16.1	17.3
Total liabilities		250.3	283.9
Equity			
Share capital	3.2	4.1	4.1
Capital reserves		-31.9	-31.6
Treasury shares	3.2	-1.7	-1.6
Retained earnings		624.7	666.4
Total equity		595.2	637.3
TOTAL LIABILITIES AND EQUITY		845.5	921.1

Consolidated statement of changes in shareholders' equity

CHF million	Note	Share capital	Capital reserves	Treasury shares	Goodwill offset	Translation differences	Cash flow hedges	Other retained earnings	Retained earnings	Total equity
Total equity December 31, 2023		4.1	-31.5	-1.6	-95.9	-85.5	5.4	935.6	759.6	730.6
Net result								-67.6	-67.6	-67.6
Dividends								-24.8	-24.8	-24.8
Changes of cash flow hedging							-6.6		-6.6	-6.6
Purchase of treasury shares	3.2			-1.3						-1.3
Share-based compensation			-0.1	1.3						1.2
Translation differences						5.8	0.1	-0.1	5.8	5.8
Total equity December 31, 2024		4.1	-31.6	-1.6	-95.9	-79.7	-1.1	843.1	666.4	637.3
Net result								-28.9	-28.9	-28.9
Dividends								-8.3	-8.3	-8.3
Changes of cash flow hedging							3.8		3.8	3.8
Purchase of treasury shares	3.2			-0.8						-0.8
Share-based compensation			-0.3	0.8						0.5
Translation differences						-8.1	0.0	-0.1	-8.3	-8.3
Total equity December 31, 2025		4.1	-31.9	-1.7	-95.9	-87.9	2.7	805.8	624.7	595.2

Consolidated cash flow statement

CHF million	Note	2025	2024
Net result		-28.9	-67.6
Depreciation and impairment on fixed assets		10.8	18.4
Amortization and impairment on intangible and financial assets		2.9	7.5
Gain/loss on disposal of non-current assets		0.0	-0.0
Change in provisions, deferred taxes and non-current customer loans		-16.6	-10.8
Usage of employer contribution reserve	5.1	4.9	5.2
Share-based compensation	3.2	1.1	1.3
Other non-cash items		11.5	-11.3
Increase/decrease in:			
inventories		4.8	44.6
trade receivables		8.0	27.0
prepayments to suppliers		-5.3	0.5
other receivables, prepaid expenses and accrued income		-0.2	10.8
trade payables		11.2	-10.9
advance payments from customers		-7.1	-2.9
other liabilities, accrued expenses and deferred income		-5.0	2.5
Cash flow from operating activities		-7.9	14.0
Investment in fixed assets	2.3	-7.7	-10.1
Divestment of fixed assets		0.8	0.2
Investment in intangible assets	2.4	-1.4	-4.0
Divestment of intangible assets		0.0	0.0
Investment in financial assets and securities		-53.0	-201.1
Divestment of financial assets and securities		135.8	126.4
Sale of business activities	4.1	-0.1	0.0
Cash flow from investing activities		74.4	-88.6
Cash flow from operating and investing activities		66.5	-74.6
Purchase of treasury shares	3.2	-0.8	-1.3
Dividends paid to shareholders of Bystronic AG		-8.3	-24.8
Increase/repayment in short-term financial liabilities		2.6	-1.6
Increase/repayment in other long-term liabilities		-0.0	0.0
Cash flow from financing activities		-6.5	-27.8
Effect of currency translation on cash and cash equivalents		-2.3	0.8
Change in cash and cash equivalents		57.7	-101.6
Reconciliation of change in cash and cash equivalents			
Cash and cash equivalents at beginning of period		123.0	224.6
Cash and cash equivalents at the end of period		180.7	123.0

Notes to the Consolidated Financial Statements

Information on the Financial Report

General information

The Consolidated Financial Statements comprise the individual Financial Statements of the group companies of Bystronic AG for the financial year from January 1, 2025, to December 31, 2025. They were prepared in accordance with uniform guidelines and comply with Swiss GAAP FER (Accounting and Reporting Recommendations), including Swiss GAAP FER 31 "Complementary Recommendations for listed entities" and Swiss law. With the exception of derivative financial instruments, which are measured at fair value, the Consolidated Financial Statements are based on historical costs. The same accounting and valuation principles have been used as in the previous year. The principle of individual valuation has been applied to assets and liabilities. Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the rounded amount presented.

The Consolidated Financial Statements were approved for publication by the Board of Directors on February 23, 2026. They are also subject to approval by the General Assembly.

Changes in accounting principles

There were no changes to the accounting standards relevant to Bystronic during the year.

Scope and method of consolidation

The Consolidated Financial Statements include the Financial Statements of Bystronic AG and of all Group companies directly or indirectly controlled by Bystronic AG through investments with more than 50% of the votes or by other means. These Group companies are fully consolidated. The share of minority shareholders in the net assets and net result is disclosed separately. There were no minority shareholders in the reporting period as well as in the comparative period. Investments in associates (at least 20%, but less than 50% of the voting rights) are accounted for under the equity method. Securities held as non-current assets are valued at acquisition cost, less any necessary value adjustments. Intragroup receivables and payables, as well as expenses and income, are offset against each other and intragroup profits have been eliminated.

The assets and liabilities of companies, which are included in consolidation for the first time, are measured at fair value. Goodwill arising from this revaluation is offset against equity. First-time consolidations are included from the date on which control is acquired and deconsolidation from the date on which control is relinquished. When companies are sold, the goodwill offset against equity is reflected in the income statement. The disposal is equated with the closure and liquidation of a business unit.

Currency translation

The Consolidated Financial Statements of Bystronic AG are presented in Swiss francs (CHF). The Financial Statements of foreign companies are prepared in their respective functional currencies and translated into Swiss francs for consolidation purposes. The resulting currency effects are recognized in equity. Foreign currency gains and losses on long-term equity-like loans to Group companies are also recorded in equity. Following the sale or liquidation of companies, these effects are reflected in the income statement. All gains and losses resulting from foreign currency transactions and adjustments to foreign currency balances at the balance sheet date are recognized in the income statement.

Significant event

No significant events occurred during the financial year 2025.

On September 11, 2024, Bystronic announced an optimization of the organizational structure and restructuring. The implemented and planned measures had a significant impact on the prior year's Consolidated Financial Statements, which are explained under section 1.3 **Restructuring and Impairments**. Further information is provided in the following notes:

- Operating expenses – [note 1.5](#)
- Fixed assets – [note 2.3](#)
- Intangible assets – [note 2.4](#)
- Provisions – [note 2.6](#)

Significant estimates made by management

In preparing the Consolidated Financial Statements, certain assumptions are applied that affect the accounting principles used, as well as the amounts recognized in assets, liabilities, income and expenses and the presentation of these amounts. These assumptions are disclosed in the following notes:

- Income taxes – [note 1.6](#)
- Inventories – [note 2.2](#)
- Fixed assets – [note 2.3](#)
- Intangible assets – [note 2.4](#)
- Provisions – [note 2.6](#)

Definition of alternative performance measures

Where relevant for the reader, Bystronic has included specific subtotals, which can be found in the relevant tables. Furthermore, Bystronic uses the following key figures in the external financial communications:

- Order intake – [note 1.1](#)
- Backlog – [note 1.2](#)
- Operating result (EBIT) adjusted – [note 1.3](#)
- Net operating assets and return on average net operating assets (RONOA) – [note 2.1](#)
- Operating free cash flow – [note 2.1](#)

Events after the balance sheet date

In January 2026, Bystronic acquired the business unit Tools for Materials Processing of Coherent Corp. with approximately 400 employees, the profitable business unit Tools for Materials Processing generates sales of around CHF 80 million. Its headquarters is in Gilching, near Munich, Germany. Bystronic will integrate this business into a newly established business unit Bystronic Rofin, which will operate within the legal entity Bystronic Rofin GmbH, Gilching, Germany.

The acquisition supports Bystronic's strategic objectives by enabling the Group to expand into attractive growth markets, including medical devices, semiconductors, and general manufacturing. In addition, new laser applications, such as micro material processing, marking, labeling and drilling will be added to the Bystronic portfolio.

There are no further events after the balance sheet date that either require a value adjustment to the assets and liabilities recognized in the balance sheet or require disclosure.

1 Performance

1.1 Segment information: order intake/net sales

In 2025, internal reporting transitioned from a regional structure to the new divisional segmentation of Systems and Service, following the restructuring implemented in 2024. In addition to the division Service, the division Systems was formed by combining competencies in machinery, automation and software. This integration enables Bystronic to better support its customers, strengthen its position as a comprehensive solutions provider, and respond with greater agility to evolving market needs.

Order intake¹

Order intake is an important performance indicator. An order is recognized when a sales contract is signed, an initial down payment received and the customer's product orders placed at the production plants.

CHF million		
January - December	2025	2024
Systems	436.0	413.4
Service	198.6	212.0
Total Order intake	634.5	625.4

¹ The order intake was not subject to the audit.

Net sales

CHF million		
January - December	2025	2024
Systems	414.6	436.3
Service	198.6	212.0
Total Net sales	613.2	648.3

With reference to the recommendation for listed companies (FER 31/8), Bystronic refrains from disclosing segment results in the interest of the shareholders for the following reasons:

- Impairment of negotiating positions:
The disclosure of segment results would allow conclusions to be drawn about pricing, which could significantly affect Bystronic's negotiating position.
- Competitive disadvantage compared to competitors:
Bystronic's competitors do not disclose segment information and detailed segment results. Thus, the disclosure of segment results would put Bystronic at a competitive disadvantage compared to its competitors as the results allow conclusions to be drawn about the margin and cost situation per segment.

Accounting principles

External segment reporting is based on the internal reporting used by the Executive Committee and the Board of Directors for corporate management purposes. There are two divisional segments at Bystronic: Systems and Service.

Machine sales are recognized when the risks and rewards of ownership have been transferred to the buyer. Hence, revenue is recognized upon completion of the installation and when the machine is ready for operation. This is generally recorded in an acceptance protocol. The revenue is recognized separately for transactions with separable components. Services rendered are recognized as revenue based on their stage of completion if this can be reliably estimated. Net sales correspond to the expected value of the services provided, net of sales and value-added taxes, sales deductions such as sales bonuses, rebates and discounts granted as well as value adjustments and currency effects on trade receivables.

1.2 Backlog¹

The backlog at the end of the period equals the backlog at the end of the previous period, adjusted for foreign currency effects, plus the order intake of the reporting period minus net sales of the reporting period.

CHF million	12/31/2025	12/31/2024
Backlog	244.4	239.2

¹ The backlog was not subject to the audit.

1.3 Restructuring and impairments

Current year

In 2025, Bystronic successfully completed the comprehensive reorganization and restructuring program. All measures were implemented as planned, and the targeted cost reductions were achieved. The shift from a regional to a divisional organizational structure has strengthened operational efficiency and improved market alignment.

Following the closure of the production of automation solutions in Italy and the consolidation of Group functions, the Group's operational footprint has been streamlined. The relocation of the Chinese production site from Shenzhen to Foshan was finalized during the year and is now fully integrated into the global production network.

In 2025, net additional restructuring expenses of CHF 0.8 million and an impairment reversal of CHF 1.3 million were incurred due to changes in operational planning and production strategy.

Previous year

On September 11, 2024, Bystronic decided on a comprehensive reorganization and restructuring to position itself closer to customers and reduce the cost base. As part of this restructuring, the regional organizational structure was replaced by a divisional structure, reducing the Executive Committee to four members. Additionally, further comprehensive restructuring measures were introduced to leverage synergies. This included the consolidation of Group functions and the global operational structures. The previous production of automation solutions in Italy was closed, while automation products will continue to be produced in Switzerland and China. For optimization purposes, Bystronic relocated the production site in China from Shenzhen to Foshan. Overall, more than 600 positions have been cut worldwide.

The costs associated with the restructuring measures amount to CHF 36.6 million.

CHF million	2024
Restructuring costs	-22.6
Impairment losses on assets	-14.0
Restructuring costs and impairments	-36.6

The restructuring expenses included personnel-related costs amounting to CHF 17.3 million, which primarily covered severance payments in EMEA and China, as well as CHF 5.2 million in other operating expenses, mainly due to the closure of the production for automation solutions in Italy. The impairments amounting to CHF 14.0 million included additional depreciation and amortization on fixed assets, intangible assets, and inventories, which were directly related to the restructuring measures.

The table below shows Bystronic's EBIT in the previous year before and after restructuring costs and impairment.

CHF million	2024
Operating result (EBIT) adjusted	-47.4
Restructuring costs and impairments	-36.6
Operating result (EBIT)	-84.0

1.4 Other operating income

Other operating income includes proceeds from the sale of obsolete materials and income from subsidies and insurance payments. Income-related government grants amounted to CHF 0.5 million (previous year: CHF 0.5 million).

1.5 Operating expenses

Material expenses

Material expenses include all expenses for raw, auxiliary and operating materials, as well as expenses for the external manufacture, processing or treatment of own products (external services).

Compared to the decrease in net sales of 5.4%, material expenses also dropped by 9.0%, taking into account the changes in inventories of unfinished and finished goods. The ratio of the material expenses to net sales (materials ratio) amounted to 41.9%, 1.6 percentage points lower than in the previous year. In particular, the slightly higher share of revenue from the service business and the lower amount of impairments led to a lower material ratio. As part of the restructuring, prior year figures include impairments of inventories amounting to CHF 7.9 million, which are reflected in the material expenses. Further explanations are provided under note 1.3 restructuring and impairments.

Personnel expenses

CHF million	2025	2024
Wages and salaries	165.4	183.4
Social security benefits	36.7	41.4
Other personnel expenses	6.9	6.1
Total personnel expenses adjusted	208.9	230.9
Personnel-related restructuring costs	0.0	17.3
Total personnel expenses	208.9	248.3
Average number of full-time equivalents	2,907	3,268

Bystronic's personnel expenses decreased by 15.8% compared to the previous year. Due to successful restructuring measures, personnel expenses in relation to sales decreased by 4.2 percentage points to 34.1%.

Some Bystronic companies received short-time working compensation or similar personnel-related state subsidies in the current year. These relate solely to the final settlement of short-time working claims from prior years. The subsidies were credited to personnel expenses and amounted to CHF 0.2 million (previous year: CHF 2.3 million). The cash flow amounted to CHF 2.1 million (previous year: CHF 0.7 million). In the reporting year, there were 0.0 average full-time equivalents on short-time work (previous year: 34.6 average full-time equivalents).

The personnel-related restructuring costs in the previous year primarily include severance payments related to the restructuring.

The average number of employees sank by 11.0% to 2,907 full-time equivalents. The decrease in all areas resulted from the restructuring measures initiated in the prior year.

Other operating expenses

CHF million	2025	2024
Direct costs of sold products	56.5	63.5
Purchased services ¹	37.6	45.5
Maintenance, rent, leasing and energy	23.7	28.1
Sales, marketing and administration	22.5	26.1
Sundry operating expenses	16.2	17.9
Total other operating expenses	156.6	181.1

¹ Purchased services include consulting and audit, IT, research and development and insurances, among others.

Compared to the previous year, Bystronic's other operating expenses decreased by 13.5%. Bystronic was able to reduce costs in all categories. Prior year's sundry operating expenses included one-time costs of CHF 5.2 million due to restructuring measures.

In relation to net sales, other operating expenses decreased by 2.4 percentage points to 25.5%.

1.6 Income taxes

CHF million	2025	2024
Current income taxes	4.5	10.8
Deferred taxes	3.4	-26.1
Total income taxes	7.9	-15.3

Current income taxes include taxes paid and still owed on the taxable income of the individual companies.

	Tax rate 2025	Income taxes 2025	Tax rate 2024	Income taxes 2024
Average applicable tax rate and income taxes	20.5%	-4.3	22.4%	-18.6
Effect of non-recognition of tax losses in current year	-54.1%	11.4	-10.3%	8.5
Use of unrecognized tax loss carryforwards	0.2%	-0.0	0.1%	-0.1
Reassessment of tax loss carryforwards	2.3%	-0.5	-3.2%	2.6
Other influences	-6.4%	1.3	9.4%	-7.8
Effective tax rate and income taxes	-37.5%	7.9	18.4%	-15.3

The expected tax rate for Bystronic of 20.5% (previous year: 22.4%) corresponds to the weighted average of tax rates in the respective tax jurisdictions. The effective tax rate is -37.5% (previous year: 18.4%) on ordinary income before taxes. The decrease from the average applicable and expected tax rate to the effective tax rate in the reporting year is mainly due to the non-recognition of tax losses in the current year as well as the reassessment of tax loss carryforwards.

Bystronic calculates deferred taxes at the tax rates actually expected to apply to the temporary differences in the individual companies. These are weighted on average at 26.0% (previous year: 16.6%). Deferred tax assets from loss carryforwards amounted to CHF 13.6 million (previous year: CHF 12.7 million). Under "Other Influences", there is an effect from the lower applied tax rate compared to the statutory tax rate on activated loss carryforwards, which has an impact of -0.3% (previous year: 7.3%) on the effective tax rate or CHF 0.0 million (previous year: CHF -6.0 million) on income taxes.

Loss carryforwards of CHF 148.5 million (previous year: CHF 90.0 million) were not capitalized. The tax effect is estimated at CHF 27.9 million (previous year: CHF 18.7 million).

Significant estimates made by management

Significant estimates have to be made to determine the amount of current and deferred income tax assets and liabilities. Some of these estimates are based on the interpretation of existing tax legislation and regulations. Various internal and external factors may have favorable or unfavorable effects on income tax assets and liabilities. These factors include, but are not limited to, changes in tax legislation and regulations and their interpretation, changes in tax rates and in the overall level of current and expected future earnings before taxes. Such changes may impact the current and deferred income tax assets and liabilities recognized in future reporting periods.

Accounting principles

Income taxes include current and deferred income taxes. All tax liabilities are accrued, irrespective of their maturity. The expected taxes on the valuation differences between the Group's carrying amounts and the tax bases are accrued at the expected income tax rates for the companies. The change in these deferred taxes is recognized through tax expenses. The deferred tax assets from offsetting loss carryforwards and temporary valuation differences are only capitalized if it is highly probable that future taxes on profits can be offset.

In Switzerland and most other countries in which Bystronic operates, the laws introducing global minimum taxation came into force on January 1, 2024. Furthermore, Switzerland has enacted the Income Inclusion Rule (IIR), which entered into force on January 1, 2025. Bystronic has made an assessment of the global minimum taxation (QDMTT) and Income Inclusion Rule (IIR) based on the applicable tax laws, the effective tax rates per country and information on the Group companies. Based on the assessment, Bystronic meets the requirements for the application of the Transitional CbCR Safe Harbor Rules in 2025 in each country concerned. Bystronic therefore does not expect to pay any additional income taxes under global minimum taxation (QDMTT) nor IIR. Bystronic continues to monitor the development of the tax provisions and assesses their impact on the Group on an ongoing basis. Furthermore, Bystronic applies the exemption to the recognition and disclosure of information about deferred income tax assets and liabilities in connection with the income taxes of the minimum tax.

1.7 Earnings per share

CHF	2025	2024
Net result attributable to shareholders of Bystronic AG	-28,931,000	-67,554,000
Average number of class A registered shares (nominal value: CHF 2.00)	1,823,203	1,824,862
Average number of class B registered shares (nominal value: CHF 0.40)	1,215,000	1,215,000
Earnings per class A registered share in CHF (diluted/basic)	-14.00	-32.67
Earnings per class B registered share in CHF (diluted/basic)	-2.80	-6.53

Share-based payments do not lead to a dilution of earnings per share.

Accounting principles

Earnings per share category were calculated on the basis of the portion of net income attributable to the shareholders of Bystronic AG, based on their portion of the share capital and the average number of outstanding shares (issued shares less treasury shares).

2 Invested capital

2.1 Net operating assets and operating free cash flow

Bystronic uses the key figures “Net operating assets”, “Return on net operating assets” (RONOA) and “Operating free cash flow” to manage its operating performance, among others.

Net operating assets and return on net operating assets

CHF million	12/31/2025	12/31/2024
Trade receivables	80.4	94.4
Prepayments to suppliers	9.3	4.3
Other receivables (without derivatives)	25.6	27.5
Inventories	183.7	200.8
Prepaid expenses and accrued income	13.0	13.6
Fixed assets	108.2	116.9
Intangible assets	6.5	8.0
Long-term receivables and loans	15.2	18.3
Deferred tax assets	27.4	31.7
Trade payables	-50.9	-40.6
Advance payments from customers	-83.4	-96.0
Other liabilities (without derivatives)	-13.6	-15.7
Accrued expenses and deferred income	-67.4	-68.9
Short- and long-term provisions	-30.0	-54.0
Deferred tax liabilities	-0.4	-0.4
Net operating assets (NOA)	223.5	240.1
Net operating assets (NOA), average	231.8	265.6
Operating result (EBIT)	-19.8	-84.0
Applied tax rate	-35.0%	18.0%
Return on net operating assets (RONOA) after tax	-11.5%	-25.9%

For the calculation of net operating assets (NOA), effects from the disposals of discontinued operations are not taken into account. Therefore, in the NOA calculation, financial assets (non-current receivables and loans) are reduced by CHF 32.2 million (previous year: CHF 66.1 million). The interest on the vendor loan of CHF 1.6 million (previous year: CHF 1.8 million) is also not taken into account when calculating the allowable tax expense or the applied tax rate.

Return on net operating assets (RONOA) after tax is calculated from the operating profit (EBIT) after deduction of the chargeable tax expense in relation to the average net operating assets between January 1 and the relevant balance sheet date.

Operating free cash flow

CHF million	2025	2024
Cash flow from operating activities	-7.9	14.0
Investment in fixed assets	-7.7	-10.1
Divestment of fixed assets	0.8	0.2
Investment in intangible assets	-1.4	-4.0
Investment in financial assets	-3.0	-1.1
Divestment of financial assets	0.4	2.1
Operating free cash flow	-18.8	1.2
in % of net sales	-3.1%	0.2%
Sale of business activities	-0.1	0.0
Divestment of non-operating financial assets	35.5	0.0
Purchase of marketable securities	-50.0	-200.0
Sale of marketable securities	100.0	124.3
Free cash flow	66.5	-74.6

Operating free cash flow is calculated on the basis of cash flows from operating activities less selected items of cash flows from investment activities. Compared to free cash flow, operating free cash flow excludes changes in marketable securities and money market instruments with a maturity of more than 90 days as well as the acquisition and divestment of business activities.

The effects from the disposals of discontinued operations are not taken into account. Therefore, in the calculation of operating free cash flow, divestment of financial assets are reduced by CHF 35.5 million (previous year: CHF 0.0 million).

2.2 Net working capital

Trade receivables

CHF million	12/31/2025	12/31/2024
Gross values	86.5	105.8
Value adjustments	-6.1	-11.4
Net values	80.4	94.4

Specific and general value adjustments were recognized for receivables at risk. The general value adjustment is based on empirical values.

Other receivables

Other receivables mainly include recoverable value-added taxes, the positive market values of open derivative financial instruments as of the balance sheet date as well as other tax refund claims.

Inventories

CHF million	12/31/2025	12/31/2024
Raw materials, supplies and spare parts	110.3	119.4
Semi-finished goods and work in progress	38.3	36.1
Finished goods	87.0	108.5
Value adjustment on inventories	-51.9	-63.2
Total inventories	183.7	200.8

Due to improvement in material management and inventory optimization measures the inventory decreased by CHF 17.5 million in the reporting year.

Advance payments from customers

After placing their orders, customers make corresponding advance payments. These declined slightly in the reporting year, mainly because the prior year showed a high level resulting from delays in machine handovers.

Other short-term liabilities

This position includes taxes owed, social security contributions, customers with credit balances and negative market values of open derivative financial instruments as of the balance sheet date. The decrease compared to the previous year is primarily due to the negative market values of the open derivative financial instruments.

Accrued expenses and deferred income

CHF million	12/31/2025	12/31/2024
Accruals for personnel expenses	15.6	15.3
Deferred income	17.5	19.9
Accruals and deferrals for current income taxes	14.8	16.6
Other accruals and deferrals	19.6	17.1
Total accrued expenses and deferred income	67.4	68.9

Other accruals and deferrals include goods and services purchased from third parties but not yet invoiced commissions, consulting, audit and installation and service costs.

Significant estimates made by management

In assessing the recoverability of inventories, estimates are made on the basis of expected consumption, price trends (lower of cost or market principle) and loss-free valuation. The estimates used to determine value adjustments on inventories are reviewed annually and amended as necessary.

Accounting principles

Trade and other receivables are stated at nominal value, less value adjustments for doubtful accounts.

Inventories are valued at the lower of cost or market. Production costs are calculated without imputed interest. Risks arising in connection with inventories difficult to sell or with a long storage period are accounted for by means of value adjustments.

Liabilities are recognized in the balance sheet at nominal value.

2.3 Fixed assets

CHF million	Factory buildings	Plant and machinery	Tooling, furniture, vehicles	Assets under construction	Undeveloped real estate	Total fixed assets
Cost at 12/31/2023	120.6	104.1	32.5	2.1	2.8	262.0
Additions	0.1	7.0	1.5	-0.0	0.0	8.7
Disposals		-2.1	-1.7	-0.6		-4.4
Reclassifications	0.2	0.5	-0.0	-1.0	0.3	0.0
Currency translation effects	2.2	0.9	0.6	0.0	-0.0	3.8
Cost at 12/31/2024	123.1	110.5	32.9	0.5	3.1	270.1
Additions	0.3	2.9	0.8	3.8		7.8
Disposals		-2.8	-9.0			-11.8
Changes in scope of consolidation		-0.2	-0.3			-0.5
Reclassifications	0.0	0.0	3.1	-3.2		0.0
Currency translation effects	-5.3	-1.4	-1.1	-0.0	-0.0	-7.8
Cost at 12/31/2025	118.2	109.0	26.4	1.1	3.1	257.9
Accumulated depreciation at 12/31/2023	47.9	64.3	25.5			137.7
Ordinary depreciation	3.4	7.1	3.3			13.8
Impairments	0.4	3.0	0.3	0.6	0.2	4.5
Disposals		-2.0	-1.7	-0.6		-4.2
Reclassifications		-0.0	0.0			0.0
Currency translation effects	0.5	0.5	0.4		-0.0	1.4
Accumulated depreciation at 12/31/2024	52.2	72.8	27.9		0.2	153.2
Ordinary depreciation	3.2	6.4	2.2			11.9
Impairments	0.0	-1.0	-0.0	0.0	0.0	-1.1
Disposals		-2.4	-9.0	0.0	0.1	-11.3
Changes in scope of consolidation		-0.2	-0.3			-0.5
Reclassifications		0.0	-0.0			0.0
Currency translation effects	-0.9	-0.8	-0.8		-0.0	-2.5
Accumulated depreciation at 12/31/2025	54.5	74.9	20.0		0.3	149.7
Net book value of fixed assets at 12/31/2024	70.9	37.6	5.0	0.5	2.9	116.9
Net book value of fixed assets at 12/31/2025	63.7	34.2	6.4	1.1	2.8	108.2

Additions to fixed assets in the reporting year mainly relate to investments in the relocation of DNE production site from Shenzhen to Foshan and at the production site in Niederönz (Switzerland), where further investments in particular were made in a company-owned energy center for more sustainable energy production.

Disposal to fixed assets mainly relates to the write-off of already fully depreciated hardware.

The impairments in the previous year are essentially directly related to the restructuring measures, which are explained under note [1.3 Restructuring and Impairments](#).

Significant estimates made by management

The recoverability of fixed assets is assessed when there are indications of impairment. If there are such indications, the recoverable amount is calculated. If the carrying amount of an asset exceeds its recoverable amount, an additional value adjustment is recognized. The calculation of the recoverable amount includes the estimation of future cash flows, the determination of the discount factor and the growth rate based on forecasted expectations. Actual cash flows may differ from the discounted future cash flows based on these estimates. Likewise, useful lives may be shortened or values may decline as a result of changes in use due to the relocation or abandonment of sites or if sales are lower than expected in the medium term.

Accounting principles

Land is carried at acquisition cost less any value adjustments. Other fixed assets are valued at acquisition or production cost less any necessary depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The useful lives are unchanged as follows:

Factory buildings	30 to 40 years
Plant and machinery	5 to 12 years
Tooling, furniture and vehicles	2 to 8 years

2.4 Intangible assets

CHF million	Software	Other intangible assets	Total intangible assets
Cost at 12/31/2023	44.4	1.5	45.9
Additions	3.8		3.8
Disposals	-5.2		-5.2
Currency translation effects	0.2	0.0	0.2
Cost at 12/31/2024	43.2	1.5	44.7
Additions	1.7		1.7
Disposals	-7.7		-7.7
Currency translation effects	-0.3	-0.0	-0.3
Cost at 12/31/2025	36.9	1.5	38.3
Accumulated amortization at 12/31/2023	33.8	1.3	35.1
Ordinary amortization	5.0	0.1	5.2
Impairments	1.5		1.5
Disposals	-5.2		-5.2
Currency translation effects	0.2	0.0	0.2
Accumulated amortization at 12/31/2024	35.2	1.4	36.6
Ordinary amortization	3.2	0.0	3.2
Disposals	-7.7		-7.7
Currency translation effects	-0.3	-0.0	-0.3
Accumulated amortization at 12/31/2025	30.4	1.5	31.9
Net book value of intangible assets at 12/31/2024	8.0	0.0	8.0
Net book value of intangible assets at 12/31/2025	6.4	0.0	6.5

The additions basically relate to investments in the digitalization and automation of business processes. Amortization is calculated using the straight-line method over the estimated useful lives of the assets.

The impairments in the previous year are related to the restructuring measures, which are explained under note [1.3 Restructuring and Impairments](#).

The useful lives are unchanged as follows:

Software	3 to 5 years
Other intangible assets	3 to 5 years

Goodwill

Theoretical capitalization of goodwill would result in the following effects on the Consolidated Financial Statements:

Theoretical assets' analysis of goodwill:

CHF million	2025	2024
Cost at 1/1	80.1	77.2
Currency translation effects	-4.7	3.0
Cost at 12/31	75.4	80.1
Accumulated amortization at 1/1	80.0	76.8
Ordinary amortization	0.1	0.2
Currency translation effects	-4.7	3.0
Accumulated amortization at 12/31	75.4	80.0
Net book value of goodwill at 1/1	0.2	0.4
Net book value of goodwill at 12/31	0.0	0.2

Theoretical impact on income statement:

CHF million	2025	2024
Operating result (EBIT)	-19.8	-84.0
EBIT margin in %	-3.2%	-13.0%
Amortization of goodwill	-0.1	-0.2
Theoretical operating result (EBIT) incl. amortization of goodwill	-19.9	-84.3
Theoretical EBIT margin in %	-3.2%	-13.0%
Net result	-28.9	-67.6
Amortization of goodwill	-0.1	-0.2
Theoretical net result incl. amortization of goodwill	-29.1	-67.8

Theoretical impact on balance sheet:

CHF million	12/31/2025	12/31/2024
Equity as per balance sheet	595.2	637.3
Theoretical capitalization of net book value of goodwill	0.0	0.2
Theoretical equity incl. net book value of goodwill	595.2	637.4
Shareholders' equity in % of total assets	70.4%	69.2%
Theoretical equity incl. net book value of goodwill in % of total assets	70.4%	69.2%

Significant estimates made by management

The recoverability of intangible assets (including goodwill) is assessed when there are indications of impairment. If there are such indications, the recoverable amount is calculated. If the carrying amount of an asset or the cash-generating unit to which the asset belongs exceeds its recoverable amount, an additional impairment loss is recognized. The calculation of the recoverable amount includes the estimation of future cash flows, the determination of the discount factor and the growth rate based on forecasted expectations. Actual cash flows may differ from the discounted future cash flows based on these estimates.

Accounting principles

Intangible assets are carried at acquisition cost less any value adjustments. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets.

Research and development costs are reflected in the income statement.

Goodwill resulting from acquisitions of control is offset against retained earnings at the time of acquisition. On disposal of a business unit, the goodwill previously offset against equity is reflected in the income statement. The disposal is equated with the closure and liquidation of a business unit. For shadow accounting purposes, goodwill is generally amortized on a straight-line basis over its useful life, which is normally five years.

2.5 Other financial assets

CHF million	12/31/2025	12/31/2024
Assets from employer contribution reserves	7.2	11.5
Long-term receivables and loans	47.4	84.4
Securities held as non-current assets	3.5	2.9
Total financial assets	58.1	98.9

Further details on the change in assets from employer contribution reserves can be found in [note 5.1](#). Long-term receivables and loans include long-term customer loans, rent deposits and the granting of a vendor loan (including accrued interest) of CHF 32.2 million (previous year: CHF 66.1 million, CHF 35.5 million paid back in 2025) in connection with the sale of Mammüt Sports Group, which must be repaid by the buyer by January 2027 at the latest. Financial assets are value adjusted by CHF 3.6 million (previous year: CHF 4.2 million). There are value adjustments on long-term customer loans due to outstanding payments of CHF 3.6 million (previous year: CHF 3.8 million), while securities no longer require value adjustments (previous year: CHF 0.4 million).

Accounting principles

Financial assets are recorded at acquisition cost, less any value adjustments.

2.6 Provisions and contingent liabilities

CHF million	Warranty	Litigation	Restructuring ¹	Other	Total provisions
Provisions at 12/31/2023	22.5	1.7		15.0	39.2
Additions	21.4	0.8	16.5	2.7	41.4
Use	-21.9	-0.0		-0.9	-22.9
Release	-2.9	-0.2		-1.3	-4.4
Currency translation effects	0.7	-0.0	-0.1	0.0	0.6
Provisions at 12/31/2024	19.8	2.3	16.4	15.6	54.0
Additions	15.6	0.1	1.2	2.0	18.9
Use	-17.6	-0.2	-15.1	-3.2	-36.0
Release	-2.5	-0.3	-0.4	-2.2	-5.5
Currency translation effects	-0.7	-0.0	-0.2	-0.4	-1.3
Provisions at 12/31/2025	14.5	2.0	1.8	11.7	30.0
of which short-term 2024	15.8		16.4	5.6	37.7
of which short-term 2025	10.9	0.1	1.8	1.5	14.3

¹ For reasons of materiality, restructuring provisions are reported as a separate category.

Warranty provisions relate to the sale of products and are based on empirical values. Experience shows that the corresponding cash outflow occurs evenly over the warranty period of one to five years.

Litigation provisions relate mainly to legal cases arising from intellectual property rights and potential guarantees and indemnities in connection with the sale of discontinued operations, where the timing of the cash outflow of the liabilities is uncertain as it depends on the progress of negotiations or proceedings.

The recognized restructuring provisions primarily relate to expected personnel costs directly associated with the introduced restructuring measures, which are explained under section 1.3 **Restructuring and Impairments**.

Other provisions include in particular those for long-service awards and retirement benefits that do not qualify as employee benefit obligations, provisions for impending losses on purchase commitments under master purchase agreements and provisions for tax liabilities.

Contingent liabilities

In connection with customer financing, there were repurchase obligations for machines to leasing companies for CHF 20.6 million (previous year: CHF 25.0 million). Bystronic companies guarantee to beneficiary leasing companies that it will take the machines back if the lessees fail to pay the agreed installments.

Significant estimates made by management

The amount of provisions is primarily determined by the estimated future costs. The calculation for warranty claims is based on sales of products, contractual agreements and empirical values. In addition to the lump-sum calculation, individual provisions are taken into account for claims that have occurred or have been reported based on the management's assessment. The lump-sum provision is reduced by the individual provision.

Accounting principles

Provisions are recognized when an event has occurred prior to the balance sheet date that gives rise to a probable obligation where the amount and/or timing is uncertain but can be estimated. This obligation may be based on legal or factual grounds.

Restructuring provisions are recognized when a management decision is made, creating legitimate expectations among third parties that a restructuring will be carried out. Subsequently, these provisions are continuously updated based on current assessments.

3 Financing and risk management

3.1 Cash, cash equivalents and securities

Cash and cash equivalents include cash on hand, bank account balances, time deposits and interest-bearing bonds with a remaining maturity of 90 days or less.

Securities include time deposits with a remaining maturity of more than 90 days.

3.2 Shareholders' equity

Share capital

The share capital of CHF 4.1 million is divided unchanged into 1,827,000 class A registered shares with a nominal value of CHF 2.00 each and 1,215,000 class B registered shares with a nominal value of CHF 0.40 each.

Treasury shares/Share-based compensation

CHF million		12/31/2025	12/31/2024
Treasury shares held			
Class A registered shares	Number	5,645	4,658
Average purchase price	CHF	299	350
Purchase for participation program		2025	2024
Class A registered shares	Number	3,128	4,000
Average purchase price	CHF	271	325
Disposal of treasury shares		2025	2024
to the Board of Directors, Executive Committee and other members of the management	Number	2,141	1,435
Average transaction price ¹	CHF	262	465
Cash value	CHF million	0.6	0.7

¹ The transaction price corresponded to the market value.

The basic compensation of the members of the Board of Directors is paid in cash and in shares (approx. 50% each). The shares are subject to a four-year vesting period. Neither discounts nor performance components are taken into account for the calculation of the share allocation to members of the Board of Directors. The average share price over three months from November 1 to January 31 of the respective term of office is used.

For members of the Group Executive Committee, a long-term incentive (LTI) plan exists since 2023. This is a performance share unit plan (PSU). One PSU entitles the plan participant to receive one share in the future, provided certain conditions are fulfilled at the end of the vesting period. The number of allocated PSUs is based on the target LTI value guaranteed by the employment contract. The target LTI value amounts to 20% of the total target compensation for all Executive Committee members, including the CEO. The target LTI value divided by the fair value of the PSUs on the day of allocation yields the number of PSUs granted, whereby fractions are rounded up to the next whole number. The fair value of PSUs is determined by a specialized consulting firm according to internationally recognized methods. Allocation usually takes place on April 1 each year. The allocated PSUs are vested after three years; for each vested PSU, the plan participant is entitled to a class A registered share of Bystronic AG. The number of PSUs actually vested depends on the fulfillment of two specific performance targets over the three-year performance period. Further information on the plan can be found in the [Compensation Report](#).

The members of the Executive Committee (excluding the former CEO) were entitled to participate in the share-based LTI program until the end of 2022. This was a restricted share unit (RSU) plan. The target LTI value for members of the Executive Committee (excluding the CEO) was 15% of the total target compensation. The first allocation of share rights (RSUs) took place at the end of March 2018. The actual LTI value for the management level mentioned above depends on earnings per share (EPS) and could vary between 100% and 150% of the target LTI value. The calculated monetary value was divided by the average share price from November 1 of the previous period to January 31 of the current period to determine the number of RSUs granted, without discount. The RSUs are subject to a vesting period of three years, starting on the grant date and ending on the vesting date. The conversion of the vested RSUs into shares of Bystronic AG (conversion ratio of 1:1) takes place at the vesting date, provided that there is a continuing employment relationship at that time. The shares transferred to the plan participant can be freely disposed of by the same and are in their name, carrying voting and dividend rights. In April 2025, the last share allocations to members of the Group Executive Committee (excluding the former CEO) under the RSU plan were made. A complete overview of the current RSU plans can be found in the [Compensation Report](#).

The RSU plan remains in place for selected executives.

For the share-based compensation component for the reporting year, personnel expenses of CHF 1.1 million (previous year: CHF 1.3 million) were recognized.

Compensation and shareholdings

The compensation paid to the Board of Directors and the Executive Committee is disclosed in the Compensation Report, which forms an integral part of this Annual Report. Their holdings in Bystronic AG are disclosed in the [notes to the Financial Statements of Bystronic AG](#).

Non-distributable reserves

As of the balance sheet date, the non-distributable reserves of the holding company Bystronic AG amount to CHF 2.5 million (previous year: CHF 2.4 million). Included therein are CHF 1.7 million related to treasury shares (previous year: CHF 1.6 million) and non-distributable reserves of CHF 0.8 million (previous year: CHF 0.8 million).

Accounting principles

Treasury shares are recognized at cost at the time of purchase. Treasury shares are recognized as a negative item in equity. In the event of a subsequent resale, the profit or loss is credited to legal capital reserves.

Share-based compensation to members of the Board of Directors and Executive Committee is measured at fair value at the grant date and charged to personnel expenses in the period in which the service is rendered.

3.3 Financial result

CHF million	2025	2024
Financial income	5.6	9.3
Financial expenses	-6.9	-8.2
Total financial result	-1.3	1.2

Financial income includes interest income of CHF 5.1 million (previous year: CHF 8.4 million), a positive performance on the assets of the employer contribution reserve of CHF 0.5 million (previous year: CHF 0.7 million) and a gain on marketable securities of CHF 0.0 million (previous year: CHF 0.2 million).

Financial expenses include interest and currency hedging costs for the financing of foreign Group companies in foreign currencies of CHF 6.0 million (previous year: CHF 5.4 million) and foreign exchange losses of CHF 0.8 million (previous year: CHF 2.8 million). The foreign exchange losses include currency effects from the valuation of cash and cash equivalents, short-term loans between Group companies and other financial assets.

3.4 Operating lease

Maturity of operating lease contracts in CHF million	12/31/2025	12/31/2024
Under 1 year	4.9	5.7
1 to 5 years	6.8	7.1
Total operating lease contracts	11.7	12.8

3.5 Other commitments and pledged assets

As of the balance sheet date and the prior year, there were no off-balance sheet commitments and no pledged assets.

3.6 Financial risk management

Through its business activities, Bystronic is exposed to financial risks, such as currency, credit, liquidity and interest rate risks. Risk management is focused on the unpredictability of developments in the financial markets and aims to minimize the potential negative impact on the Group's financial position. Risk management is carried out by Bystronic's finance department in accordance with guidelines approved by the Board of Directors. They define the use of derivatives and the handling of foreign currency risks, interest rate risks and credit risks. The guidelines are binding for all Bystronic companies.

Risk	Source	Risk management
Currency risks	Bystronic operates internationally and is therefore exposed to currency risks, which may affect operating profit and the financial result, as well as the Group's equity.	- Natural hedging is used by purchasing goods in the currency in which they will be sold. - Currency risks are hedged using derivative financial instruments.
Credit risks arising from business operations and financial transactions	The credit risk is the risk of suffering a financial loss if a counterparty is unable to meet its contractual obligations. Credit risks may arise from receivables, financial assets, credit balances with financial institutions, securities and derivative financial instruments.	- Independent ratings of financial institutions are periodically reviewed. - Risks of liquid assets are further reduced by using different financial institutions instead of a single bank. - Cluster risks of receivables and financial assets are reduced through broad geographical distribution and a large number of customers. - Customers' creditworthiness is assessed taking account of specific checks and past experiences.
Liquidity risks	A liquidity risk results from the risk of being unable to meet financial obligations when they fall due.	- Prudent liquidity management includes holding sufficient reserves of liquid funds, which are constantly monitored, and the option of financing through lines of credit.
Interest rate risks	Interest rate risks can arise from changes in future interest payments due to fluctuations in market interest rates or through changes in market value.	- Bystronic does not have any assets and liabilities, which would be substantially affected by significant changes in the interest rate environment.

Conversion rates

Currency	Unit	Closing rate		Average rate	
		12/31/2025	12/31/2024	2025	2024
EUR	1	0.9314	0.9412	0.9379	0.9519
USD	1	0.7927	0.9060	0.8384	0.8778
CNY	100	11.3224	12.4115	11.6472	12.2195

Derivative financial instruments

CHF million	12/31/2025	12/31/2024
Contract or nominal values (gross)	310.5	291.8
Positive replacement values	2.7	1.9
Negative replacement values	2.0	7.7

Contracts were concluded to hedge currency risks arising from operating activities in various currencies.

Accounting principles

All open derivatives are recognized at fair value as of the balance sheet date and reported gross in the balance sheet under other receivables or other liabilities. Changes in the value of derivatives used to hedge recognized underlying transactions are recognized in the same way as the underlying transaction. Changes in the value of derivatives used to hedge future cash flows are recognized in equity until the underlying transaction is settled. At the time the hedged item is recognized in the balance sheet, the gain or loss recognized in equity is transferred to the income statement.

4 Group structure

4.1 Disposals

As of June 4, 2025, Bystronic sold the group company Bystronic Hungary Kft, Budaörs (Hungary). The year 2025 includes net sales and operating profit until June 4, 2025, while the prior year includes twelve months.

As of September 1, 2025, Bystronic sold the group company Bystronic S.C. Bystronic Laser S.R.L., Brasov (Romania). The year 2025 includes net sales and operating profit until September, 2025, while the prior year includes twelve months.

The transactions resulted in losses on sale of CHF 0.2 million related to translation differences, which is included in "Other operating expenses" of the reporting year. The net sales disclosed in the Consolidated Financial Statements include CHF 4.2 million (previous year: CHF 7.5 million) attributable to the two disposed entities.

4.2 Changes in the scope of consolidation

Changes in current year

- As of January 1, 2025, Bystronic Automation Technology S.p.A., Pieve Emanuele (Italy) was merged retroactively with Bystronic Italia S.r.l., Pieve Emanuele (Italy)
- On June 4, 2025, Bystronic divested the company Bystronic Hungary Kft, Budaörs (Hungary).
- On September 1, 2025, Bystronic divested the company Bystronic S.C. Bystronic Laser S.R.L., Brasov (Romania).
- On December 12, 2025, Bystronic liquidated Kureta GmbH, Heimsheim (Germany)
- On July 7, 2025, Bystronic founded Bystronic Rofin GmbH, Gilching (Germany)

Changes in previous year

- As of December 17, 2024, Kurago Asia Ltd., Changwon (Korea) was merged with Bystronic Korea, Ltd., Incheon (Korea).

4.3 Group companies

Company, domicile	Notes	Country	Company capital	Investment in % direct	Investment in % indirect
Bystronic					
EMEA					
Bystronic Laser AG, Niederörsz		CH CHF	50,000	100	
Bystronic Scandinavia AB, Rosersberg		SE SEK	200,000		100
Bystronic Maschinenbau GmbH, Gotha		DE EUR	3,400,100		100
Bystronic Italia S.r.l., Pieve Emanuele		IT EUR	900,000		100
Bystronic France SAS, Les Ulis		FR EUR	328,000		100
Bystronic Deutschland GmbH, Heimsheim		DE EUR	52,000		100
Bystronic Ibérica, S.A., Derio		ES EUR	262,000		100
Bystronic Austria GmbH, Pasching		AT EUR	300,000		100
Bystronic Benelux B.V., Heteren		NL EUR	18,151		100
Bystronic UK Ltd., Coventry		UK GBP	1,200,000		100
Bystronic Sales AG, Niederörsz		CH CHF	200,000		100
Bystronic Polska Sp. z o.o., Komorów		PL PLN	1,000,000		100
Bystronic Czech Republic s.r.o., Brno		CZ CZK	6,000,000		100
Bystronic Lazer ve Bükme Makineleri Sanayi ve Ticaret Ltd Şti, Istanbul		TR TRY	660,000		100
S.C. Bystronic Laser S.R.L., Brasov	1	RO			
LLC Bystronic Ukraine, Kyiv		UA UAH	15,900,873		100
Bystronic Magyarország Kft., Budaörs	2	HU			
Bystronic Automation Technology S.r.l., Pieve Emanuele	3	IT			
Bystronic Tube Processing S.p.A., Cazzago San Martino		IT EUR	750,000		100
Bystronic Software, S.L.U., Bilbao		ES EUR	3,000		100
Bystronic Rofin GmbH, Gilching	4	DE EUR	25,000		100
Americas					
Bystronic Inc., Hoffman Estates		US USD	250,000		100
Bystronic Mexico, S.A. de C.V., Apodaca		MX MXN	106,500,000		100
Bystronic do Brasil Ltda., Colombo		BR BRL	9,000,000		100
Bystronic Canada Ltd., Mississauga		CA CAD	100,000		100
Bystronic Manufacturing Americas, LLC, Hoffman Estates		US USD	1,000,000		100
China					
Bystronic Co., Ltd. (Shanghai), Shanghai		CN CNY	43,406,070		100
Bystronic (Tianjin) Laser Ltd., Tianjin		CN CNY	76,792,070		100
DNE LASER (Guangdong) Co., Ltd., Shenzhen		CN CNY	44,600,000		100
Bystronic (Shanghai) Automation Technology Co., Ltd., Shanghai		CN CNY	63,000,000		100
APAC					
Bystronic Pte. Ltd., Singapore		SG SGD	4,050,000		100
Bystronic Korea, Ltd., Incheon		KR KRW	14,901,000,000		100
Bystronic Laser India Private Ltd., Pune		IN INR	602,420		100
Bystronic Japan, Ltd., Tokyo		JP JPY	100,000,000		100
Bystronic International Laser Ltd., New Taipei City		TW TWD	5,000,000		100
Bystronic Australia Pty Ltd, Cranbourne West		AU AUD	100,000		100

Bystronic Vietnam Co., Ltd., Ho Chi Minh City	VN	VND	33,165,000,000	100
Bystronic (Thailand) Co., Ltd., Bangkok	TH	THB	15,000,000	100
Kurago Asia Ltd., Changwon	⁵	KR		

Corporate entities

Bystronic Holding Deutschland GmbH, Heimsheim	DE	EUR	6,000,000	100
Bystronic Grundstücksverwaltungs GmbH, Heimsheim	DE	EUR	50,000	100
Bystronic Vermögensverwaltungs GmbH & Co. KG, Heimsheim	DE	EUR	100,000	100
Kureta GmbH, Heimsheim	⁶	DE		

¹ Divested as of September 1, 2025² Divested as of June 4, 2025³ Merger with Bystronic Italia S.r.l., retroactively effective as of January 1, 2025⁴ Founded on July 7, 2025.⁵ Merger with Bystronic Korea, Ltd. as per December 17, 2024⁶ Liquidated on December 12, 2025

5 Other notes

5.1 Employee benefit plans

CHF million	Balance 12/31/2025	Balance 12/31/2024	Result in personnel expenses 2025	Result in financial income 2025	Result in personnel expenses 2024	Result in financial income 2024
Employer contribution reserves						
Employer-funded pension fund Bystronic	7.2	11.5	-4.9	0.5	-5.2	0.7

There is no waiver of use of the employer contribution reserve. In the reporting year, CHF 4.9 million of pension fund contributions were offset against the employer contribution reserve (previous year: CHF 5.2 million). The change of CHF 0.5 million (previous year: CHF 0.7 million) resulted from the positive performance of the assets of the employer contribution reserve, which was allocated to the financial result.

CHF million	Surplus/ deficit 12/31/2025	Economic benefit/ obligation 12/31/2025	Economic benefit/ obligation 12/31/2024	Currency translation effect/use 2025	Change to prior year - affecting result 2025	Contribu- tions to be allocated to reporting period 2025	Current service cost in personnel expenses 2025	Current service cost in personnel expenses 2024
Economic benefit/ obligation and current service cost								
Employer-funded pension fund	6.1							
Pension funds without surplus/deficit						6.9	6.9	6.5
Pension funds with deficit			-0.6	-0.0	0.6	0.0	0.0	0.7
Total	6.1	0.0	-0.6	-0.0	0.6	6.9	6.9	7.1

In the previous year, the net surplus amounted to CHF 2.4 million and the contributions accrued for the reporting period amounted to CHF 7.1 million.

The departures due to the restructuring measures in the previous year led to a partial liquidation of the employer-funded pension fund and the Bystronic pension fund.

The reported surplus from free reserves of the employer's pension plan is not intended for economic use by the Group. The increase in the reporting year is due to the release of provision in the employer-funded pension fund. One pension fund moved from a deficit in the prior year to a balanced position in the reporting year.

Accounting principles

The pension obligations of the group companies for retirement, death or disability are based on the regulations and practices applicable in the respective countries. Contributions are made on an ongoing basis. The income statement includes the pension and benefit payments and outstanding benefits during the accounting period and the regular contributions to the various pension funds. Private pension plans in Switzerland are designed to build up retirement assets with conversion into fixed retirement pensions and supplementary risk benefits. The actual economic effects of pension plans on the company are calculated as of the balance sheet date. An economic benefit is capitalized if it will be used for the company's future pension expenses. An economic obligation is recognized as a liability if the conditions for recognizing a provision are met. An economic benefit or an economic obligation as a result of partial liquidation is assessed separately. Separately existing, freely available employer contribution reserves are recognized as assets. The difference between the economic benefits and obligations determined each year and the change in the employer contribution reserve is recognized in the income statement.

Employees of the Swiss subsidiaries are insured in the GEMINI Collective Foundation. This pension fund is legally independent and financed by contributions from employers and employees. Any surplus or deficit is determined on the basis of the pension fund's provisional Annual Financial Statements prepared in accordance with Swiss GAAP FER 26.

Some subsidiaries abroad have local pension plans. These are treated in the same way as the Swiss plan in terms of accounting, i.e. the amounts paid are generally recognized as an expense. The surplus or deficit is determined using actuarial methods.

5.2 Related-party transactions

As in the previous year, there were no transactions with related parties and companies at Bystronic.



Report of the statutory auditor to the General Meeting of Bystronic AG, Zurich

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Bystronic AG and its subsidiaries (the Group), which comprise the consolidated income statement for the year ended 31 December 2025, the consolidated balance sheet as at 31 December 2025, the consolidated statement of changes in shareholders' equity, the consolidated cash flow statement 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 99 to 128) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 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 that are relevant to audits of the financial statements of public interest entities. We have also 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.

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Our audit approach

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graph TD; Materiality --> AuditScope[Audit scope]; AuditScope --> KeyAuditMatters[Key audit matters]; KeyAuditMatters --> Materiality;
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Overview

Overall group materiality: CHF 3.5 Mio

The entities addressed by our full scope audit work as well as specific scope audit contribute to 72% of the Group’s net sales.

As key audit matter the following area of focus has been identified:

Revenue recognition of machine sales in the correct period

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	CHF 3.5 million
Benchmark applied	Net sales
Rationale for the materiality benchmark applied	We chose net sales as the benchmark because, in our view, it is one of the benchmarks against which the performance of the Group is most commonly measured. Additionally, net sales is a generally accepted benchmark for materiality considerations.

We agreed with the Audit Committee that we would report to them misstatements above CHF 0.2 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.



Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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.

Revenue recognition of machine sales in the correct period

Key audit matter	How our audit addressed the key audit matter
Net sales represent an important basis for assessing Bystronic's performance and is therefore in the focus of the company's internal targets and external communication towards shareholders and other stakeholders. Therefore, the pressure that may arise to achieve net sales targets leads to an increased risk with respect to recognising net sales in the correct period. Bystronic recognises machine sales when the risk and rewards of ownership have been transferred to the buyer. Hence, revenue is recognised upon completion of the installation and when the machine is ready for operation. This is generally recorded in an acceptance protocol, but in exceptional cases, revenue can be recognised also in absence of an acceptance protocol if certain criteria are fulfilled cumulatively. For the accounting principles we refer to section 1.1 in the notes to the consolidated financial statements.	We have performed the following audit procedures to conclude on the appropriate recognition of revenue in the correct period: • Obtained an understanding of the revenue & receivable process, in relation to revenue recognition and associated key controls. • Audited occurrence and accuracy of revenue based on a sample. For each sample we agreed order confirmation, delivery note, invoice, proof of payment and the acceptance protocol. • Audited appropriate recognition of revenue in the correct period at year-end based on a sample. For each sample we agreed order confirmation, delivery note, invoice, proof of payment and the acceptance protocol. • We verified that machines sales without an acceptance protocol, have only been recognised as revenue when the risk and rewards of ownership have been transferred to the buyer. • Audited credit notes after year-end.



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 financial statements, the consolidated 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 consolidated financial statements, that 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, 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: <http://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 article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.



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

PricewaterhouseCoopers AG

A handwritten signature in blue ink, appearing to read 'B. Kovács-Vujević'.

Blaženka Kovács-Vujević
Licensed audit expert
Auditor in charge

A handwritten signature in blue ink, appearing to read 'T. Handschin'.

Tobias Handschin
Licensed audit expert

Zurich, 23 February 2026

Income statement Bystronic AG

CHF 1,000	2025	2024
Income from investments	0	0
Financial income	10,778	19,565
Other operating income	319	444
Total income	11,097	20,009
Financial expenses	-8,722	-8,773
Other operating expenses	-5,105	-5,480
Income taxes	-117	-516
Total expenses	-13,944	-14,769
Net result	-2,847	5,240

Balance sheet Bystronic AG

CHF 1,000	12/31/2025	12/31/2024
ASSETS		
Current assets		
Cash and cash equivalents	155,886	99,988
Securities	150,000	199,998
Other receivables		
from third parties	3,255	4,036
from investments	440	1,709
Prepaid expenses and accrued income	211	980
Total current assets	309,792	306,711
Non-current assets		
Financial assets		
from investments	336,577	373,180
from third parties	32,257	66,086
Investments	153,281	118,281
Total non-current assets	522,115	557,547
TOTAL ASSETS	831,907	864,258
LIABILITIES		
Current liabilities		
Interest-bearing liabilities		
to investments	51,073	67,394
Other payables		
to third parties	2,270	8,402
to shareholders	99	157
to investments	2,521	185
Accrued expenses and deferred income	1,004	1,777
Total current liabilities	56,967	77,915
Equity		
Share capital	4,140	4,140
Legal capital reserves		
Reserve from capital contributions	72	72
Other capital reserves	96,236	96,466
Legal retained earnings	828	828
Voluntary retained earnings	650,000	650,000
Retained earnings	25,351	36,467
Treasury shares	-1,687	-1,630
Total equity	774,940	786,343
TOTAL LIABILITIES AND EQUITY	831,907	864,258

Notes to the Financial Statements of Bystronic AG

Principles

General remarks

The Financial Statements 2025 of Bystronic AG have been prepared in accordance with the provisions of the Swiss Code of Obligations. The significant accounting policies applied but not required by law are described below.

The Financial Statements were approved for publication by the Board of Directors on February 23, 2026. They are also subject to approval by the General Assembly.

Financial assets

Financial assets consist of investments with a long-term investment purpose. Loans granted in foreign currencies are valued at the current closing rate.

Derivative financial instruments

Foreign exchange hedging transactions are entered to hedge currency risks arising from operating activities. All open derivatives are recognized at fair value as of the balance sheet date and reported gross in the balance sheet under other receivables or other current liabilities. Changes in the value of derivatives used to hedge recognized underlying transactions are recognized in the income statement in the same way as the underlying transactions.

Interest-bearing liabilities

Interest-bearing liabilities are recognized at nominal value.

Treasury shares

Treasury shares are recognized at cost at the time of acquisition. Treasury shares are recognized as a negative item in equity. In the event of subsequent resale, the gain or loss is credited to legal capital reserves.

Share-based compensation

Share-based compensation to members of the Board of Directors is measured at fair value at the grant date and charged to other operating expenses in the period in which the service is rendered.

Disclosures on income statement and balance sheet items

Income

Dividend payments of the subsidiaries are determined depending on retained earnings and capital requirements. Financial income includes interest income on receivables from investments of CHF 6.8 million (previous year: CHF 12.4 million), interest income from third parties of CHF 4.0 million (previous year: CHF 7.0 million). In the previous year, this position also included further a gain on marketable securities of CHF 0.2 million. Other operating income of CHF 0.3 million (previous year: CHF 0.4 million) is related to brokerage fees from insurance companies CHF 0.3 million (previous year: CHF 0.4 million).

Expenses

Financial expenses result from interest on liabilities to investments of CHF 2.3 million (previous year: CHF 2.7 million), currency hedging costs (interest differences) of balance sheet items in foreign currencies of CHF 6.1 million (previous year: CHF 5.1 million), commitment fees for bank loans of CHF 0.2 million (previous year: CHF 0.4 million) and foreign exchange losses on cash and cash equivalents and on receivables from investments of CHF 0.1 million (previous year: CHF 0.6 million). Other operating expenses include current administrative and project costs, capital taxes as well as the fees of the Board of Directors amounting to CHF 1.0 million (previous year: CHF 1.3 million).

Current assets

Cash and cash equivalents comprise bank deposits, time deposits and interest-bearing bonds with a remaining maturity of 90 days or less, mostly in Swiss francs. Marketable securities include time deposits in Swiss francs with a remaining maturity of more than 90 days. Other receivables from third parties include recoverable input and withholding taxes, as well as taxes at source of CHF 0.9 million (previous year: CHF 3.0 million) and balances from foreign exchange hedging transactions with banks of CHF 2.4 million (previous year: CHF 1.0 million). Other receivables from investments amount to CHF 0.4 million (previous year: CHF 0.5 million). In the previous year this position also included further the credit balances from currency hedging transactions of CHF 1.2 million.

Non-current assets

Financial assets consist of investments with a long-term investment purpose. Receivables from investments decreased by CHF 36.6 million in the reporting year. Other financial assets from third parties relate mainly to a vendor loan in connection with the sale of Mammut Sports Group AG, which must be repaid by the buyer by January 2027 at the latest. In 2025 we received two prepayments in total of CHF 35.5 million. The increase in investments resulted from a capital injection of CHF 35.0 million into subsidiaries in the reporting year.

Liabilities

Other short-term liabilities mainly include liabilities from currency hedging transactions to banks of CHF 2.0 million (previous year: CHF 7.7 million) and to investments of CHF 2.5 million (previous year: CHF 0.2 million).

Equity

The share capital of CHF 4.1 million (previous year: CHF 4.1 million) is divided into 1,827,000 class A registered shares and 1,215,000 class B registered shares. At the end of 2024, the company held 4,658 class A registered shares at an average purchase price of CHF 350 each. For the participation program, 3,128 class A registered shares were acquired in the reporting year at an average transaction price of CHF 271 each. The Board of Directors was allocated 1,659 class A registered shares at an average transaction price of CHF 247 each. Members of the Executive Committee and other members of management were allocated 482 class A registered shares at an average transaction price of CHF 314 each. These costs were invoiced to the group companies with which these persons have an employment relationship. The transaction price corresponded to the market value in each case. As of December 31, 2025, 5,645 class A registered shares are held at an average purchase price of CHF 299 each.

Further disclosures

Full-time positions

No employees are employed at Bystronic AG.

Contingent liabilities

CHF 1,000	2025	2024
Securities and guarantee obligations for subsidiaries	97,488	89,217
Effective obligations	15,079	10,928

Residual amount of leasing obligations

The maturity of leasing obligations which have a residual term of more than twelve months or which cannot be canceled within the next twelve months is as follows:

CHF 1,000	2025	2024
Up to 1 year	128	-
1 - 5 years	576	-
more than 5 years	-	-
Total	704	-

Investments

The investments are listed in [note 4.3 of the Consolidated Financial Statements](#). The voting shares correspond to the capital shares.

Significant shareholders

Shareholder	2025	2024
Auer, Schmidheiny and Spoerry shareholder group		
Capital rights	29.0%	29.0%
Voting rights	51.1%	51.1%
UBS Fund Management (Switzerland) AG		
Capital rights	5.8%	5.8%
Voting rights	3.9%	3.9%

The Auer, Schmidheiny and Spoerry shareholder group consists of Dr. Matthias Auer, Hans Martin Byland, Rudolf Byland, Christina Byland, Marina Marti-Auer, Marina Milz, Adrian and Annemarie Herzig, Sven and Rosmarie Mumenthaler-Sigrist, Jacob and Margrit Schmidheiny-Pfister, Felix Schmidheiny, Helen Schmidheiny, Katharina Verena Spoerry, Christina Spoerry, Heinrich Spoerry, Robert F. Spoerry, Ursula Oggenfuss and Jürg Spoerry.

Shareholdings held by members of the Board of Directors and Executive Committee and related persons

Number	Class A registered shares 12/31/2025	Class A registered shares 12/31/2024	Class B registered shares 12/31/2025	Class B registered shares 12/31/2024
Board of Directors				
Dr. Heinz O. Baumgartner, Chairman	1,233	680		
Dr. Roland Abt, Member	740	582		
Dr. Matthias Auer, Member	23,275	23,006	1,008	1,008
Inge Delobelle, Member	342	184		
Urs Riedener, Member	740	582		
Felix Schmidheiny, Member	71,266	41,108		
Robert F. Spoerry, Member	8,240	7,729	148	148
Eva Zauke, Member	266	108		

Dr. Matthias Auer, Felix Schmidheiny and Robert F. Spoerry hold further registered shares under a shareholder agreement within the Auer, Schmidheiny and Spoerry shareholder group.

Number	Class A registered shares 12/31/2025	Class A registered shares 12/31/2024
Executive Committee		
Domenico Iacovelli (CEO)	-	-
Dr. Javier Perez (CFO)	30	-
Alberto Martinez	138	84
Wilfried de Backer	-	-
Eamon Doherty ¹	-	86

¹ Left Bystronic in September 2025

The other members of the Executive Committee do not hold any shares in Bystronic AG at the reporting date.

Compensation paid to members of the **Board of Directors** and **Executive Committee** is shown in the Compensation Report.

Share-based compensation

The basic compensation of the members of the Board of Directors is paid in cash and in shares (approx. 50% each) with a four-year vesting period. Neither discounts nor performance components are taken into account for the calculation of the Board of Directors' share allocation. The average share price over three months from November 1 to January 31 of the respective term of office is used.

In 2025, a total of 1,659 class A registered shares were allocated to the Board of Directors for the previous year. The valuation was made using a share price of CHF 247 and amounted to CHF 0.4 million. For the share-based compensation component for the reporting year, an expense accrual in the amount of CHF 0.4 million (previous year: CHF 0.4 million) is included in other operating expenses.

Events after the balance sheet date

There are no events after the balance sheet date that require a value adjustment to the assets and liabilities recognized in the balance sheet or that require disclosure.

Proposal of the Board of Directors on the appropriation of retained earnings and legal retained earnings of Bystronic AG

CHF	2025
The Board of Directors proposes to the Annual General Meeting on April 21, 2026, that the total sum available for appropriation, consisting of:	
Net result	-2,846,954
Retained earnings carried forward from previous year	28,197,678
Retained earnings	25,350,724
Treasury shares (held directly)	1,686,531
Total retained earnings available for appropriation	23,664,193
be appropriated as follows:	
Dividend of CHF 4.00 per class A registered share	7,308,000
Dividend of CHF 0.80 per class B registered share	972,000
Total dividend	8,280,000
Retained earnings to be carried forward	17,070,724

If the proposal is approved, the dividend payment for the year 2025 will be:

CHF	Gross dividend	35% withholding tax	Net dividend
Per class A registered share	4.00	1.40	2.60
Per class B registered share	0.80	0.28	0.52

The dividend will be paid out with the value date of April 27, 2026.



Report of the statutory auditor to the General Meeting of Bystronic AG, Zurich

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bystronic AG (the Company), which comprise the income statement for the year ended 31 December 2025, the balance sheet as at 31 December 2025, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 125 to 126 and pages 134 to 139) 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 that are relevant to audits of the financial statements of public interest entities. We have also 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.

Our audit approach

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

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Overall materiality	CHF 2 million
Benchmark applied	Total equity
Rationale for the materiality benchmark applied	We chose total equity as the benchmark because it is a relevant and generally accepted benchmark for materiality considerations relating to a holding company.

We agreed with the Audit Committee that we would report to them misstatements above CHF 0.2 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

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 financial statements, the consolidated 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 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.

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: <http://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 article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Blaženka Kovács-Vujević
Licensed audit expert
Auditor in charge

Tobias Handschin
Licensed audit expert

Zurich, 23 February 2026

Five-year summary

		2025	2024	2023	2022	2021
Bystronic¹						
Order intake	CHF m	634.5	625.4	794.0	1,009.5	1,175.5
Backlog	CHF m	244.4	239.2	252.9	413.0	435.2
Net sales	CHF m	613.2	648.3	930.1	1,015.9	939.4
EBITDA	CHF m	-6.0	-58.2	75.4	69.9	88.5
Operating result (EBIT) adjusted ²	CHF m	-19.8	-47.4			
Operating result (EBIT)	CHF m	-19.8	-84.0	54.4	48.1	70.1
Net operating assets	CHF m	223.5	240.1	291.0	288.0	218.9
Discontinued operations						
Net sales	CHF m					183.6
Operating result (EBIT)	CHF m					-88.8
Consolidated income statement						
Net sales	CHF m	613.2	648.3	930.1	1,015.9	1,122.9
Operating result (EBIT)	CHF m	-19.8	-84.0	54.4	48.1	-18.7
Net result	CHF m	-28.9	-67.6	41.9	36.6	-27.8
Consolidated balance sheet						
Current assets	CHF m	645.4	665.5	761.6	862.5	958.4
Non-current assets	CHF m	200.1	255.6	262.6	280.0	276.4
Short-term liabilities	CHF m	234.1	266.6	259.1	375.4	372.0
Long-term liabilities	CHF m	16.1	17.3	34.3	42.9	47.6
Shareholders' equity	CHF m	595.2	637.3	730.6	724.2	815.2
Total assets	CHF m	845.5	921.1	1,024.1	1,142.5	1,234.8
Shareholders' equity as % of total assets	%	70.4	69.2	71.3	63.4	66.0
Employees						
Average number of full-time equivalents	Number	2,907	3,268	3,573	3,679	4,051
Net sales per full-time equivalent	CHF 1,000	211.0	198.4	260.3	276.1	277.2
Personnel expenses per full-time equivalent	CHF 1,000	71.9	76.0	70.5	70.7	72.0
Share information						
Share capital	CHF m	4.1	4.1	4.1	4.1	4.1
Number of shares issued on 12/31						
Class A registered shares	Number	1,827,000	1,827,000	1,827,000	1,827,000	1,827,000
Class B registered shares	Number	1,215,000	1,215,000	1,215,000	1,215,000	1,215,000
Market prices of class A registered share						
High	CHF	407	494	770	1,332	1,370
Low	CHF	224	291	427	495	1,086
Year-end	CHF	270	310	477	641	1,282
Total dividend	CHF m	8.3 ³	8.3	24.8	24.8	124.2

			2025	2024	2023	2022	2021
Key indicators per share							
Earnings	per class A registered share	CHF	-14.00	-32.67	20.28	17.69	-13.81
	per class B registered share	CHF	-2.80	-6.53	4.06	3.54	-2.76
Cash flow from operating activities	per class A registered share	CHF	-3.81	6.79	25.91	-7.99	23.89
	per class B registered share	CHF	-0.76	1.36	5.18	-1.60	4.78
Shareholders' equity	per class A registered share	CHF	288.07	308.18	353.21	350.18	394.05
	per class B registered share	CHF	57.61	61.64	70.64	70.04	78.81
Gross dividend	per class A registered share	CHF	4.00 ³	4.00	12.00	12.00	60.00
	per class B registered share	CHF	0.80 ³	0.80	2.40	2.40	12.00

¹ The continuing operations in the year 2021 consist of Bystronic and the historical Conzzeta segment "Others"

² Before restructuring and impairments (note 1.3 in the Financial Report)

³ As proposed by the Board of Directors

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