

Group sustainability report

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2023

Permanent commitment

Commuting together

Numerous people drive to work every day. Endress+Hauser uses Comovee software at several locations in Switzerland and Germany to connect employees who have similar commutes. The app displays a map showing the routes driven by coworkers and allows them to get in contact. Carpooling saves fuel, reduces greenhouse gas emissions and also fosters social connections.



Sustainable event

Customers from around the world discussed the topic of sustainability in the process industry at the 2023 Endress+Hauser Global Forum in Basel, Switzerland. To ensure the event was as sustainable as possible, typical promotional gifts or materials were not handed out. Meals were served using primarily regional and seasonal products and guests received drinking bottles made out of organic rigid polyethylene that is manufactured from sugar cane waste. All of the plants and furniture were rented and individual forums were held in inflatable meeting spaces. Where possible, any materials were either recycled or upcycled. After two inspiring days under the theme of insights for sustainable decisions, a tree was planted for each of the 800-plus participating customers.

Awards for sales partners

Endress+Hauser International recognized various sustainability initiatives by sales representatives with two newly created awards in 2023. These sales partners supplement the company's own sales offices and support centers in regions managed by Endress+Hauser International. The Sustainability Award was presented for innovative ecological customer projects and went to a project in Ghana for the detection of toxic wastewater. The Corporate Social Responsibility Award, which honors social and ecological projects undertaken by the sales partners, recognized an initiative in Vietnam that grants educational scholarships to children from disadvantaged homes, as well as an orphanage project in Myanmar.

Three times around the globe

Seventy days around the world, on foot, by bike or by swimming: this was the participants' goal in the Endress+Hauser Water Challenge on the occasion of the company's 70th anniversary. The challenge involved completing a predefined route and collecting donations in return. Endress+Hauser doubled the sum, which then went to projects that provide people with access to clean water. The result of the anniversary challenge exceeded all expectations, with 622 participants from 20 countries in 84 teams completing a total of 133,049 kilometers – even including sack races – in effect circumnavigating the Earth three times. The proceeds from the challenge were used to build two additional water houses in the rural highlands of Vietnam, thus ensuring a water supply for more than 1,000 people.



Fairness in recruiting

Unconscious patterns of thought can negatively affect the recruitment process, with managers instinctively choosing candidates similar to themselves, for instance. Or they might pigeonhole an applicant based on an external characteristic and in the process overlook the person's real skills. Known as unconscious bias, this causes errors in judgment and can lead to a less diverse workforce. To help address the issue, Endress+Hauser conducted a special training course for 500 managers, heads of HR and HR business partners. "We reflected on our mindsets and scrutinized our behavior patterns," reports Sandra Rubart, corporate director for brand management & communication at Endress+Hauser.

"The process industry has the potential to be a driving force for positive change through its efforts in the areas of energy transformation, sustainability and resource consumption."

Matthias Altendorf, president of the Supervisory Board of the Endress+Hauser Group, at the 2023 Global Forum in Basel

How can the sustainable transformation of the process industry succeed? More than 800 customers were occupied with this question during the 2023 Endress+Hauser Global Forum in Basel.



Endress+Hauser Group sustainability report

In 2023 we further integrated sustainability into our core processes and strengthened networking within the Group. We are also working with all our stakeholder groups to accelerate the transformation to a sustainable economy.

Introduction

As a family company our mindset extends beyond our daily activities. We want to contribute to a sustainable world by balancing our economic success with protection of the environment and social responsibility. For this reason, the 70th anniversary of our company was marked by the question of how to sustainably transform the process industry. Under the theme of Insights for Sustainable Decisions, more than 800 customers gathered in Basel in June 2023 for the inaugural Endress+Hauser Global Forum to share ideas regarding issues such as the energy transition, the circular economy and energy and resource efficiency, as well as to hear suggestions from experts.

The Endress+Hauser Global Forum provided our customers and us with a lot of impetus. Last year our path to sustainability was highlighted along with nine other companies in the book *ESG made in Germany – sustainability as a corporate strategy for family companies*. We were also nominated for the German Sustainability Award in the category of measurement and control technology and optical systems. In the EcoVadis sustainability rating we scored 71 out of a possible 100 points to achieve gold status, thus placing us in the top 5 percent of companies in our comparison group.

After committing to the Science Based Targets initiative (SBTi) in March 2023, we are preparing our Group-wide near-term targets for scope 1, 2 and 3 emissions reductions. These will be submitted over the course of 2024. Our strong growth will make achieving these targets an even greater challenge. An important element in making good use of reduction potential is greater data transparency.

To further identify key sustainability issues, in 2023 we accelerated our double materiality assessment with the support of external experts. We also conducted an extensive supplier risk analysis last year. We continued to learn in terms of data collection and quality and several Group companies adapted their collection methodology with a view toward future reporting requirements. Beginning in 2026, we will submit reports in accordance with the European Corporate Sustainability Reporting Directive (CSRD) and have created the necessary IT frameworks. At the same time, we are preparing to comply with other foreseeable and potential legislation such as the Corporate Sustainability Due Diligence Directive (CSDDD), Carbon Border Adjustment Mechanism (CBAM), EU Taxonomy and a potential regulation covering per- and polyfluoroalkyl substances (PFAS).

This sustainability report demonstrates how we have developed with respect to environmental, social and corporate governance (ESG) and outlines the approaches we are pursuing to improve further.

“Our Group companies have considerable leeway in carrying out their activities. This resulted in the creation of numerous sustainability initiatives, including self-generated green electricity, sustainable buildings, low-emission vehicle fleets, energy efficiency measures and much more. With a sustainability manager circle, we bring together the experience and knowledge from our network of companies and bundle our strengths for sustainable success.”

Julia Schempp, corporate sustainability officer



Corporate governance

About Endress+Hauser

Endress+Hauser is a global leader in measurement instrumentation and automation solutions. We help customers in the process industry to manufacture their products in an efficient, environmentally friendly and resource-efficient manner. Our core industries are chemical, food & beverage, water & wastewater, oil & gas, life sciences, mining, minerals & metals, and power & energy. Our offering includes flow, level, pressure and temperature measurement, as well as the analysis of liquids, gases and solids. We provide industry expertise, application knowledge and digital competence, and as a company we stand for longevity and stability. This combination makes us unique. For our customers, this makes us a partner for the sustainable improvement of their processes and products.

Shareholder structure

The shareholder family's role in the company is described in the Family Charter. In this charter the shareholders state that Endress+Hauser should remain a successful family-owned company. The aim of the charter is to strengthen cohesion within the family over the long term and consistently isolate the company from family issues. Various institutions foster the family members' relationships with the company and introduce younger generations in particular to the company. The success of these efforts is reflected in the Family Council, which decides on important issues regarding the relationship between the family and the company. Here, the younger generation provides five of the nine members. The Family Council is made up of five women and four men. Sandra Genge and Steven Endress, two members of the third generation, have seats on the Supervisory Board of Endress+Hauser AG. The family shareholders also exert influence on Endress+Hauser AG at the company's annual general meeting.

Corporate governance

The Endress+Hauser Group comprises a network of 131 legally independent companies managed and coordinated by Endress+Hauser AG. Management is in the hands of the Executive Board of Endress+Hauser AG, chaired by the CEO. Business and organizational regulations define the competencies and responsibilities of the Executive Board and the independent Supervisory Board. As a supervisory and advisory body, the Supervisory Board oversees the work of the Executive Board by providing constructive feedback. Fundamental and far-reaching decisions are taken with the approval of the Supervisory Board, whose members are appointed at the shareholders' general meeting.

Supervisory Board president Dr Klaus Endress retired from active involvement in the company at the end of 2023. He was succeeded by former CEO Matthias Altendorf. Dr Peter Selders, previously head of the product center for level and pressure measurement in Maulburg, Germany, took over as CEO of the Group at the beginning of 2024.

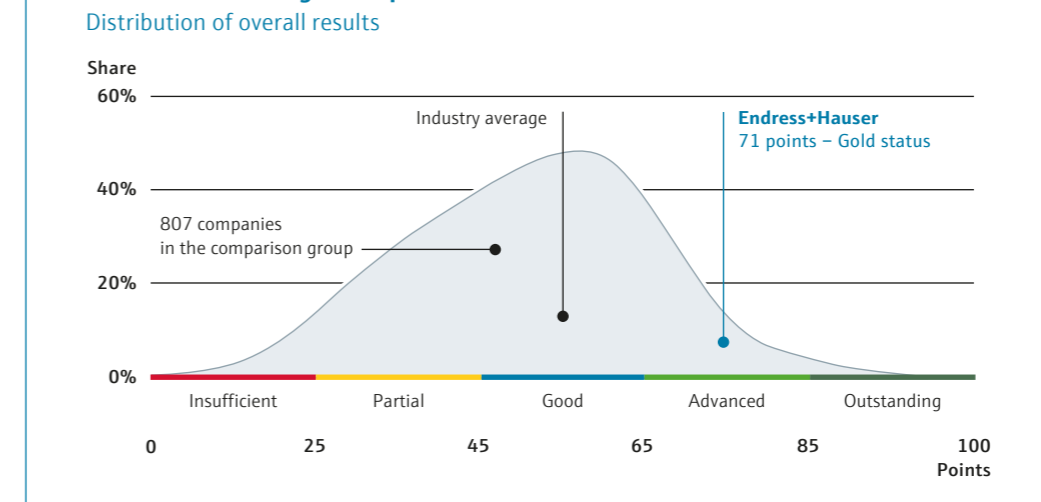
Strategic anchoring of sustainability

Sustainability is one of Endress+Hauser's four brand values alongside commitment, excellence and friendliness. In addition, we created further Group-wide structures for managing sustainability issues in 2022. One member represents the topic on the Executive Board. A steering committee governs the issue across the Group. A corporate sustainability officer drives the Group-wide harmonization of sustainability issues together with the sustainability office and in close cooperation with local sustainability managers. Other cross-departmental, cross-divisional and cross-company working groups have also been formed. In 2023 we created the new Committee for Audits, Risk and Sustainability (CARS) at the Supervisory Board level, which began its activities in January 2024. Our long-term goal is to incorporate sustainability into every corporate process.

Reporting mechanisms

To report our sustainability performance in a consistent and comparable manner, in addition to future mandatory reporting mechanisms such as the CSRD, we voluntarily participate in reports and ratings such as the Carbon Disclosure Project (CDP) and the EcoVadis sustainability rating. The latter has evaluated our sustainability performance with respect to the environment, labor and human rights, fair business practices and sustainable procurement since 2015.

2023 EcoVadis rating in comparison



- 1 Endress+Hauser combines first-class measurement technology with industry expertise, application knowledge and digital competence.
- 2 More than 1,300 of the more than 16,000 employees worldwide are involved in the development of new products, solutions and services.
- 3 We produce sensors, devices and systems for customers in different industries around the world.

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Whistleblower system

Endress+Hauser employees around the world can use a whistleblower system to report possible violations of the Endress+Hauser Code of Conduct. An independent complaints team carefully processes all tips and initiates appropriate measures. This system ensures protection for whistleblowers and affected parties who contribute to the investigation of a possible violation. The information is handled within the framework of a confidential and fair process.

In addition, the Endress+Hauser Group has maintained a publicly accessible whistleblower system – “People and the environment” – since 2023. Employees, business partners such as suppliers, and third parties can confidentially report or anonymously submit information regarding potential human rights violations or environmental issues. We therefore comply with the recommendations of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) and the Swiss Ordinance on Due Diligence and Transparency with regard to Minerals and Metals from Conflict-Affected Areas and Child Labor (VSoTr), among others.

Tax strategy

Through our tax payments at our locations and in the countries in which we operate, we contribute to the well-being of society. We want to follow not only the letter of the law but the spirit of it. For this reason, we reject any business structures designed to avoid taxes. We utilize tax advantages and tax relief only to the extent they accrue in the course of normal business operations and only if we are legally entitled to them. We strive at all locations to maintain a transparent, professional and constructive working relationship with the tax authorities. This includes providing correct and timely information. In 2023 we paid a total of 128.4 million euros in income taxes worldwide. This equates to an effective tax rate of 23.9 percent. (All figures refer to the Group’s operating business at the level of Endress+Hauser Management AG.)

Economic sustainability

We concentrate only on businesses we understand and which are a good fit for us. We believe profit is not the goal but the result of good management. The vast majority of our earnings remain in the company. With an equity ratio of 55.1 percent, plus cash, cash equivalents and financial assets totaling 876.9 million euros (2023 fiscal year figures), we are well positioned to make the investments needed to ensure a solid and successful future, without relying on external sources, and to grow our Group organically. We essentially operate without bank loans and use these instruments only if internal financing is not possible or is unfeasible.

We attempt to reduce uncertainties caused by economic and sectoral developments, foreign exchange rate fluctuations, global political events or natural catastrophes by establishing a broad market base in terms of industries, customer segments and regions, as well as products, solutions and services. The largest customers account for less than 1.5 percent of our net sales. Financial risks due to exchange and interest rate changes are reduced through corresponding hedging instruments. Regional production facilities situated close to our customers lessen the impact of exchange rate fluctuations.

Product security

Cybersecurity is an indispensable component of industrial plants and Industrial Internet of Things (IIoT) applications. With certification in line with IEC 62443-4-1, Endress+Hauser meets the highest industry standard for information security for measurement instruments and components. In concrete terms, this means products are developed from the start by taking into account the relevant security requirements. This is in addition to code analyses and reviews, as well as penetration tests and security updates. Endress+Hauser Digital Solutions, our product center for IIoT and digitalization, is certified in accordance with ISO 27001 for information security. Furthermore, external auditors have confirmed that our Netilion IIoT ecosystem meets the requirements outlined in ISO 27017.

Innovation

In 2023, we spent 267.6 million euros on research and development. That equates to 7.2 percent of net sales. We applied for 257 patents for the first time at patent offices around the world, a testament to the Group’s strong focus on innovation. In 2023 we launched 20 new products and added more than 1,100 product options. The intellectual property portfolio grew compared to last year and now comprises almost 8,900 active patents and patent applications.

More than 1,300 employees are involved in the development of new products, solutions and services. Process improvements in production, logistics, IT and administration also make a significant contribution to our success as a Group. We honor these efforts through recognition and incentives across all areas of the company. Among other things, we are currently working to determine how constructive modifications can help our instruments better meet important sustainability standards. Examples include looking at how electricity consumption can be reduced during product utilization, how to make instruments easier to disassemble and how to incorporate them into a circular economy. These efforts are being undertaken in close collaboration with external partners.



“We are looking at how much leeway we have to reduce the carbon footprint of our measuring devices. This involves material savings, as well as reduced-emissions materials. We are examining how we can systematically exploit the longevity of our instrument designs and components through retrofitting concepts. And we are taking a look at the possibilities that the circular economy offers.”

Hans-Joachim Fröhlich,
director of technology and portfolio

Environmental

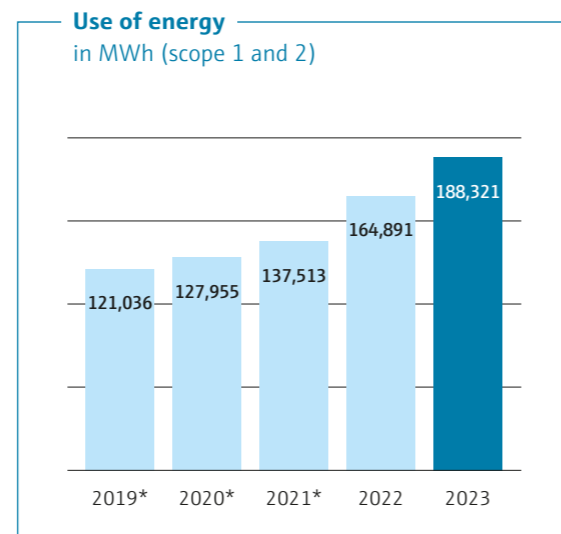
Climate transition plan

With the commitment to the Science Based Targets initiative (SBTi) in March 2023, we have expressly backed the 1.5 degree goal of the Paris Climate Agreement with the aim of achieving net zero by 2050 at the latest. This more stringent path within the SBTi means that we must decarbonize all of our business activities, including supply chains, by 2050. As the SBTi does not allow CO₂ compensation, greenhouse gas emissions must essentially be avoided. CO₂ sinks such as carbon capture and storage can be used and applied to only 10 percent of the total amount. In 2024 we will submit our near-term targets for scope 1, 2 and 3, which we must achieve in parallel with strong growth. The climate transition plan, which is currently under development, will describe the leverage we want to use to achieve net zero along with this growth path.

Energy demand and energy mix

The total energy demand of the Endress+Hauser Group in 2023 was 188,321 MWh. It rose by 14 percent compared to the prior year, which was partly due to changes in data collection and quality (see introduction).

Electricity (94,938 MWh) accounted for 49 percent of the energy demand in 2023, nearly half of which originated from renewable sources (43,371 MWh). Eleven percent of this green electricity was autonomously generated at our sites, while the rest was purchased. Our subsidiaries in Germany



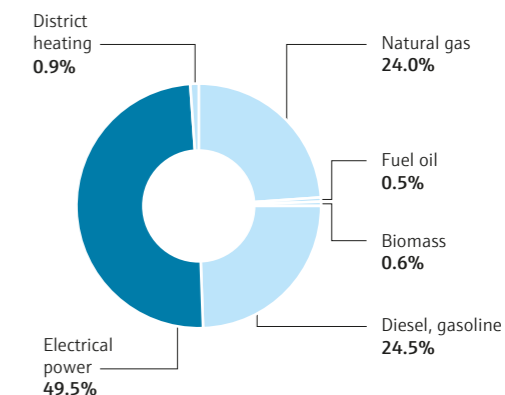
*) Limited comparability due to change in methodology

and Switzerland relied to a large extent on green electricity (Germany 95 percent, Switzerland 99 percent). In some countries, including Austria, Denmark, Finland, Norway and Sweden, we have already converted to 100 percent renewable sources. Other countries have started to expand to renewable sources of energy. These include Canada (22 percent), South Africa (14 percent) and Italy (8 percent).

Twenty-four percent of our global energy requirement was covered by natural gas in 2023 (45,262 MWh). Diesel and gasoline accounted for more than 24 percent, which is mainly tied to our vehicle fleet (45,344 MWh). Here too we are striving to reduce our greenhouse gas emissions, for example by gradually switching to electric vehicles where possible.

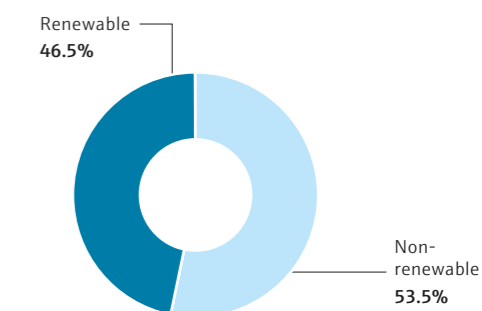
Energy demand

in MWh	2023
Natural gas	45,262
Fuel oil	902
Biomass	1,072
Diesel, gasoline	46,147
Electrical power	93,191
District heating	1,747
Total	188,321



Electrical power demand

in MWh	2023
Non-renewable	49,821
Renewable	43,370
– Own generation	4,657
– External supply	38,713
Total	93,191



Greenhouse gas emissions

We tracked the Group-wide carbon footprint in accordance with the Greenhouse Gas (GHG) Protocol and for better comparability converted emissions of greenhouse gases other than carbon dioxide into CO₂ equivalents (CO₂e) according to their global warming potential.

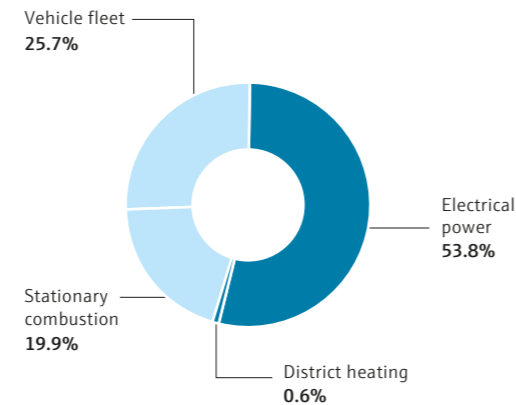
In 2023 greenhouse gas emissions amounted to 1.274 million tonnes CO₂e. 41,598 tonnes CO₂e was generated within the Group's own area of responsibility, 46 percent of which is tied to scope 1 – in other words emissions from stationary combustion (8,270 tonnes CO₂e) and our own vehicle fleet (10,700 tonnes CO₂e). The remaining 54 percent stems from energy that we purchased, such as electricity and local and district heating, and

is thus allocated to scope 2 (22,628 tonnes CO₂e). With a total of 1.232 million tonnes CO₂e, scope 3 emissions are the most significant.

This resulted first and foremost from the utilization of our durable instruments (629,338 tonnes CO₂e). Purchased products and services and capital goods also had a significant impact (450,967 tonnes CO₂e). The transport of purchased goods and components to our production facilities, as well as the transport of our products to customers, also contributed with 77,485 tonnes CO₂e to our scope 3 emissions. The remainder of the scope 3 emissions (74,869 tonnes CO₂e) is spread across fuel and energy related emissions, waste, business travel, employee commutes, products at the end of their life cycle and investments.

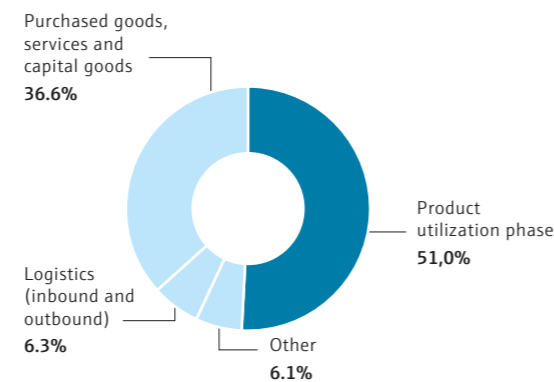
Greenhouse gas emissions scope 1 and 2

in tonnes CO ₂ e	2023
Scope 1	18,970
– Stationary combustion	8,270
– Vehicle fleet	10,700
Scope 2	22,628
– Electrical power	22,379
– District heating	249
Total scope 1 and 2	41,598



Greenhouse gas emissions scope 3

in tonnes CO ₂ e	2023
Product utilization phase	629,338
Purchased goods, services and capital goods	450,967
Logistics (inbound and outbound)	77,485
Other	74,869
– Fuel- and energy-related emissions	
– Waste	
– Business travel	
– Employee commutes	
– End of product life cycle	
– Investments	
Total scope 3	1,232,659



Product carbon footprint

In the future we want to provide product-specific information regarding the carbon footprint of our measurement instruments. In light of the roughly 3 million units sold each year, most of which are tailored to the needs of the customer, this is a complex task. Among other things, the CO₂ footprint of all associated materials must be tracked and included in the calculations. As a first step we are working on GHG Protocol-compliant declarations for the carbon footprint of instruments in our flagship line of products.

Scope 1 and scope 2 measures

Our scope 1 and scope 2 measures for reducing emissions can be implemented relatively quickly. For the purposes of systematic planning, we have created extensive transparency with a CO₂ dashboard that was introduced in 2023. This tool shows the individual Group companies the extent of their emissions through the use of fuels (scope 1), as well as the external procurement of electricity and heat (scope 2), and also indicates the share of green energy. Emissions from our vehicle fleet are also transparently represented. The dashboard is designed to help the entities identify approaches for reducing emissions. In the future it will also show how high the annual emissions reduction must be in order to meet the SBTi targets.

We furthermore launched a comprehensive potential analysis in 2023 to determine which concrete measures can be used to further reduce the scope 1 and scope 2 CO₂ emissions. Apart from increasing the share of renewable energy, the activities will also include the expansion of electromobility and efficiency measures. For example, we monitor the energy consumption of our production processes by merging the data streams from our machines and systems in a central data science workbench with a standardized (smart machine) interface. Our product centers can tap this data lake to monitor, control and, where necessary, optimize the energy consumption of their plants.

Scope 3 measures

Scope 3 requires our most extensive efforts. More than one-third of our total greenhouse gas emissions stem from the procurement side of the business. The greatest impact here is the steel and aluminum that goes into manufacturing our measurement instruments. Roughly half of our CO₂ footprint is tied to the utilization phase of our durable instruments in our customers' plants – in other words through their electricity consumption and methane emissions. Taken together, these factors contribute 1.080 million tonnes CO₂e annually.

Product center procurement and product design thus offer strong leverage for reducing the amount of emissions tied to our instruments.

We make short-term impacts through measures such as sourcing low-emission primary products from suppliers who utilize green electricity and low-emission raw materials. We are also looking for ways to partially retrofit our hardware to further extend their life cycle. In many instances, measurement devices are swapped out after 15 to 20 years because of their electronics. We are therefore working on approaches for the replacement of individual components. Beyond that, we are examining how to bring our measurement instruments into the circular economy after they have been used.

We achieve long-term impacts through design changes. In this area we are examining to what extent material requirements can be further reduced by design and whether our customers would support such measures. Individual product centers are furthermore looking at ways to reduce the electricity consumption of individual products.

Looking ahead, we are working intensively on the use of green steel and green aluminum. We are currently calculating the benefits in terms of sustainability and the economic impacts and opportunities.

Substance and materials handling

Endress+Hauser is committed to complying with all relevant laws and regulations regarding the handling of materials and substances. We provide a wide range of declarations of conformity for various materials and substances. These include the European and Chinese RoHS guidelines (restriction of hazardous substances) and the EU regulation REACH (registration, evaluation, authorization and restriction of chemicals), as well as declarations regarding conflict materials and drinking water. These declarations can be downloaded from our website.

Given that our customers can individually configure the vast majority of the products in the Endress+Hauser portfolio when ordering, device-specific information related to material compliance is highly complex. We are already working on software solutions to provide even more detailed information in the future.

Product safety and recalls

Endress+Hauser measurement instruments are sold through our own sales centers or select partners in more than 125 countries around the world. Our central device database contains data related to 64 million instruments, sensors and components. In the case of service, this allows us to contact and provide targeted and proactive assistance to customers with a potentially malfunctioning instrument. We can use a dashboard to monitor and ensure that this occurs within a specific period of time.

Water consumption

Endress+Hauser does not operate any water-intensive production processes. Water is mainly used in sanitary facilities and for cleaning buildings. We also need water for certain sensor tests. In most cases our units are located in industrial areas with connections to the public water system. In 2023 our water consumption amounted to roughly 322,703 cubic meters, an increase of 11 percent from the prior year. This increase is partly due to methodology reasons given that some units have improved transparency of the way water consumption is measured.

Waste and recycling

Waste accumulation within the Endress+Hauser Group is strongly influenced by factors such as growth in units produced, demand-driven changes in the product mix or special effects such as construction work or inventory adjustments. In the past financial year, we accumulated 3,011 tonnes of municipal waste worldwide, 11 percent less than the prior year. The volume of hazardous waste fell by 14 percent to 562 tonnes, while the amount of scrap metal rose 5 percent to 1,380 tonnes. The volume of electronic scrap increased 25 percent during the reporting period to 67 tonnes.

Individual locations reduce waste and conserve resources through recycling. To further reduce the footprint of our instruments used by our customers, we are looking at measures such as the circular economy and for ways to extend the useful life of our already durable products.



- Municipal waste
- Scrap metal
- Hazardous waste
- Electronic scrap

Certification and auditing

Social and environmental standards are an integral part of many procurement processes. Our product centers are certified in accordance with ISO 9001 (quality management). More than four-fifths of our production sites are certified in line with ISO 14001 (environmental management) and ISO 45001 (occupational health and safety). Some are also ISO 50001 certified (energy management).

Products and solutions for sustainability

Measurement technology enables the safe, economic and resource-conserving operation of process engineering plants. Furthermore, the digital connectivity of measurement instruments leads to transparency and allows for the improvement of production processes. Numerous production processes will need to be adapted, optimized or re-established over the course of decarbonization. One of the most powerful levers on the path to net zero is improving the energy efficiency of core processes and auxiliary systems. The auxiliary systems for steam, air pressure, heating, cooling and industrial gases alone offer many starting points for reducing greenhouse gas emissions.

Our aim is to provide customers with the best possible support in their efforts to achieve a sustainable transformation. We already offer a wide range of measurement solutions and are simultaneously working on new developments. Key topics include the production, transport and utilization of hydrogen, particularly green hydrogen, filtering CO₂ from the air (direct air capture) and carbon capture, usage and storage at the emissions site. Also worth mentioning is the use of raw materials with an increasing share of recycled or renewable raw materials that are less consistent regarding their quality than industrially produced materials.



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- 1 The digitalization of measurement technology creates transparency, thus enabling new approaches for improving production processes.
- 2 We are looking at how we can further optimize the design of our instruments to reduce the products' carbon footprint.
- 3 Our measurement technology allows process plants to operate in a safe, reliable, efficient and eco-friendly manner.



“We use artificial intelligence, among other tools, to monitor our globally dispersed supply chains. It provides us with real-time and predictive risk warnings regarding potential human rights violations, environmental damage, supply chain disruptions, financial and legal risks and other issues. We also use AI technology to screen suppliers further down the supply chain.”

Catharina Masing, sustainability manager, corporate supply chain

Social

Human rights

We firmly believe that integrity and ethical behavior are among the most important pillars of a sustainably successful company. We are therefore committed to respecting and safeguarding human rights as outlined in internationally recognized human rights principles and the United Nations Guiding Principles on Business and Human Rights.

Overall responsibility for respecting and safeguarding human rights lies with the Executive Board of the Endress+Hauser Group. Monitoring and control of human rights-related activities is delegated to the Group’s human rights officer, a position that reports to the Executive Board. Endress+Hauser wants to ensure adherence to human rights and environmental obligations and minimize the risk of violations. To ensure due diligence, we maintain a human rights and environmental risk management system for our own business area and supply chains.

Responsible supply chain management

We rely on a wealth of preventive measures within the framework of our risk management system to ensure that our suppliers adhere to human rights and environmental standards. We expect our suppliers to sign the ZVEI (German Electro and Digital Industry Association) code of conduct or comparable common industry CoCs. In addition, we carry out general preventive measures such as online training programs, supplier days and on-site visits. We also use risk analysis software that monitors suppliers for potential violations by screening online media. This risk management system allows us to meet the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), as well as the Swiss Ordinance on Due Diligence and Transparency regarding Minerals and Metals from Conflict-Affected Areas and Child Labor (VSoTR).

Employees

We view the creation, development and preservation of secure jobs as an important part of our corporate social responsibility. To create a good working environment for our employees, we offer performance-based compensation, above-average social benefits, attractive opportunities for career development and a comprehensive program that allows them to strike an effective work-life balance, including access to childcare services and flexible work models. We furthermore invest in the health of our employees and promote their growth through targeted personnel development and training programs.

Workforce in numbers

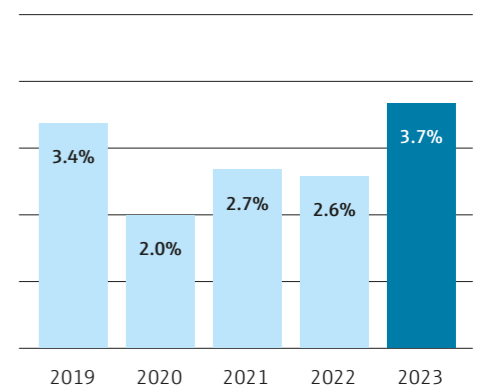
On a global basis, the average years of service for Endress+Hauser employees is 9.8. The Group-wide turnover rate (excluding internal job transfers) is 3.7 percent, and thus higher than in the previous year (2022: 2.6 percent). At the end of 2023, a total of 16,532 people (including temporary contracts) were employed by the Endress+Hauser Group, 715 more than the previous year. The creation of new jobs was once again especially strong in production.

At the end of 2023, people from 112 nations worked for the Endress+Hauser Group. The percentage of women represented in the workforce remained virtually unchanged at 30.1 (2022: 30.2), which is high compared to other companies in the industrial sector. The age groups are equally distributed across the Group, with little change compared to 2022.

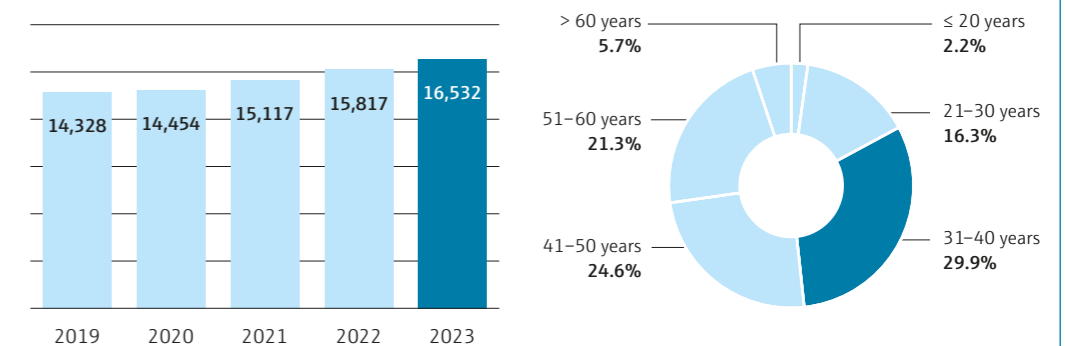
Employer attractiveness

We strive to continually improve our attractiveness as an employer. We monitor the satisfaction of our employees with regular surveys based on a Group-wide standard to ensure the results can be compared. A current evaluation of the data derived from the employee engagement and customer retention surveys of recent years illustrates that employee commitment and customer loyalty are directly related. This reflects our belief that only motivated employees deliver outstanding performance for our customers.

Employee turnover
excluding internal job transfers (in percent)



Employees of the Endress+Hauser Group and demographics structure*



* Demographics excluding temporary contracts

Occupational health and safety

With respect to Group-wide occupational health and safety, we put significant effort into ensuring our employees enjoy a safe, pleasant and productive work environment. In 2023, the rate of occupational accidents with lost time rose to 8.1 per 1,000 employees (previous year: 5.1).

We initiate accident prevention, risk awareness and work safety measures at our locations. Our occupational health and safety specialists are involved in workplace-related decisions at a very early stage. Company restaurants at numerous locations all around the world offer our employees a varied and well-balanced selection of nutritional meals. Added to that are numerous campaigns and activities related to health promotion and prevention. The guiding principles of our occupational health and safety program, which are defined in a health and safety policy, are monitored on a regular basis.

Young talent and personnel development

As a technology company, we depend on qualified professionals and committed young talent. To attract new employees who are a good fit, the Endress+Hauser Group strives to continuously improve the working conditions and strengthen its internal and external image with targeted employer branding.

Endress+Hauser wants to attract the best employees, independent of gender, age, ethnic origin, religious or philosophical convictions or sexual orientation. A diverse workforce not only reduces risks but also makes us more resilient against crises. It also increases productivity, fosters innovation, improves customer loyalty, reinforces the feeling of solidarity and helps us compete for talent.

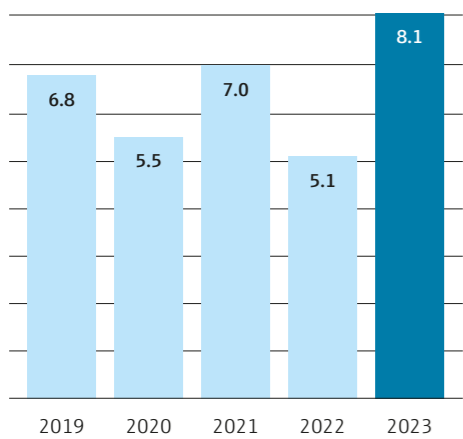
In order to specifically strengthen diversity, we have placed a focus on promoting women. By 2030, Endress+Hauser wants to increase the share of women in management positions to around 30 percent and for the workforce as a whole to 40 percent. To reach these goals, our global initiative the Women's Integrated Network (WIN) has defined several areas of focus: an employer brand that appeals to women, a career development program geared toward women as well as men, flexible work models, measures to address unconscious bias in recruitment and the use of networks to draw the attention of female professionals to Endress+Hauser. Apart from that, we want to raise the visibility of female role models within the company.

Within the framework of the WIN initiative, Group companies around the world develop and implement concepts that are adapted to their environments. Added to that are Group-wide programs that support the goals of the initiative. We advertise jobs in a way that appeals to a diverse target group. More than 500 HR employees and managers have now been made aware of unconscious bias as part of the License to Hire program. Forty percent of the participants in our global mentoring program are women. And in the Next Generation Senior Leaders program, the share of women is 25 percent.

Fair and gender-neutral pay based on understandable criteria such as skills, experience, performance and responsibility is another important aspect for us. A Group-wide job-grading assessment is designed to improve comparability and increase transparency in the future.

Well-trained specialists are key to the success of our company. At the same time, we believe that our commitment to vocational training of young people is a way of demonstrating our social responsibility. Particularly in Germany and Switzerland, we train the majority of our specialists internally. 382 young people were undertaking vocational training in 2023, and another 170 were pursuing studies. This corresponds to a training ratio of 3.5 percent annually. To develop young talent in a targeted manner, our long-term goal is to reserve 5 percent of all positions for interns, apprentices and students.

Lost-time accidents at work
(per 1,000 employees)

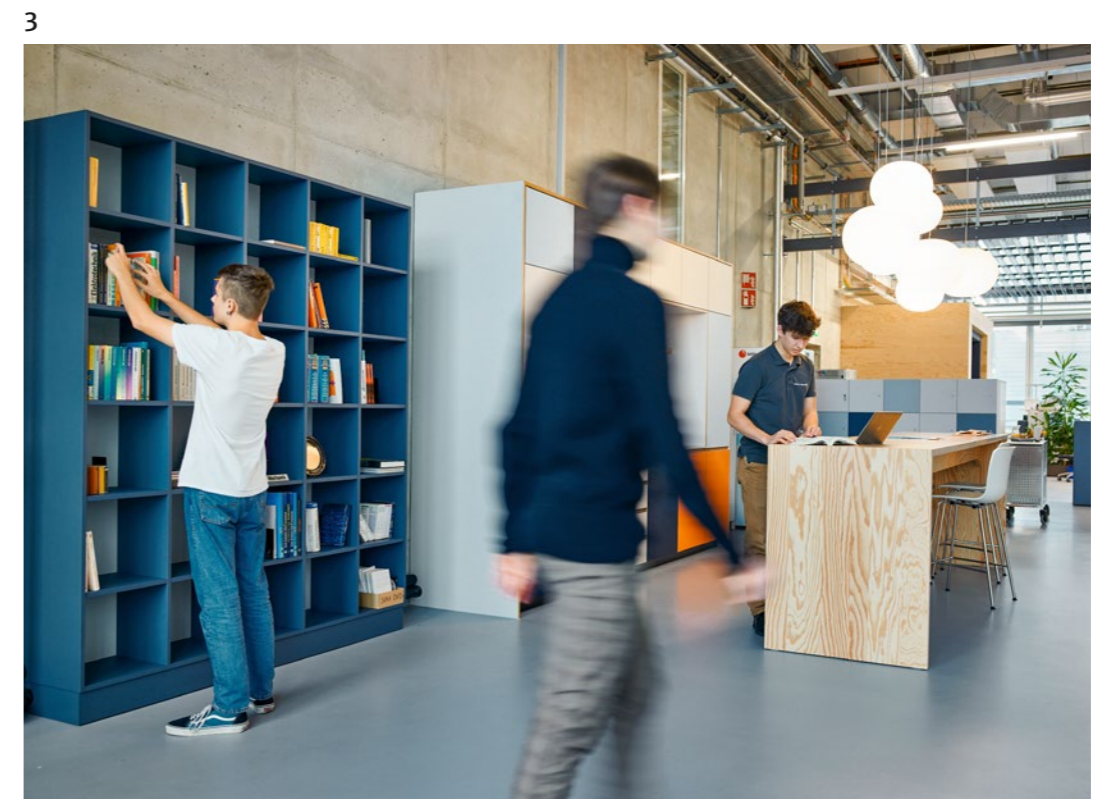


1

- 1 We are proud of our diverse and international workforce.
- 2 Endress+Hauser wants to increase the share of women and the number of female managers and specialists.
- 3 Training and education is firmly rooted in the company.



2



3

Over the long term Endress+Hauser intends to set aside 5 percent of all positions for interns, apprentices and students.



Social engagement

Endress+Hauser is engaged in volunteer activities wherever the company has a local presence. This allows us to sponsor select projects involving social, cultural, educational, scientific and sports activities, as well as the promotion of young talent. In the area of charitable contributions, we focus our assistance mainly on non-profit initiatives and social institutions.

Our employees are also willing to be active for a good cause. In the Endress+Hauser Water Challenge, employees raise funds through charity runs to give people worldwide access to clean drinking water, with the company doubling the amount donated. The proceeds go to select aid projects in Asia, South America or Africa. We have thus taken our business commitment to a safe, efficient and eco-friendly water supply and transferred it to the non-profit sector.

Endress+Hauser also maintains research and educational partnerships with scientific institutions and training centers around the globe. Contributions for our donation and sponsorship activities, as well as for research and education partnerships in the form of financial aid, contributions in kind or personnel deployment, are so far not recorded centrally. The respective activities are the responsibility of the Group companies.

Customer, partner and supplier relationships

Long-term success is possible only by sharing ideas and maintaining a constant dialogue. We are convinced that combined strengths make us more successful. This philosophy is reflected in the way we manage our relationships with customers, business partners and suppliers around the world, which calls for maintaining an open and constructive dialogue with all our stakeholders.

Customers around the world place their trust in us. We try to earn this trust by regularly measuring their level of satisfaction. We systematically analyze those aspects that can be optimized and address them with individual measures to continually improve. Regular survey cycles reveal long-term developments and make the success of the various actions visible and measurable. Loyal relationships show that trust-based collaboration and learning from one another is beneficial to all parties involved. As all of us are striving to sustainably transform the economy, now is the time for us to work even closer together.

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