

PEOPLE CREATE INNOVATIONS

NON-FINANCIAL STATEMENT 2018



NON-FINANCIAL STATEMENT

1. Introduction	4
2. Mission Statement	4
3. Environmental Issues	5
4. Employee Issues	13
5. Social Issues	16
6. Respect for human rights and the fight against corruption and bribery	17
7. GRI Content Index	18

THE NON-FINANCIAL STATEMENT

1. INTRODUCTION

As a family business in operation for nearly 170 years, the principle of responsible and sustainable management has been the backbone of the company throughout its long history and spurred on the transformation processes that have taken place during this time.

We are pleased to fulfil our obligation (§ 289 b, Par. 1 HGB and § 315 b HGB) to disclose the "non-financial information" specified in the CSR Guidelines Implementation Act in our Annual Report with immediate effect. We have used the G4 guidelines of the Global Reporting Initiative (GRI) as a framework for publication and identified the key figures relevant to Schweizer Electronic AG.

SUSTAINABILITY

Sustainability is a broad field that can encompass a range of aspects. We set out our commitment to sustainable action and the resulting fields of activity in our SCHWEIZER Management Manual (first edition 1996), which aims to turn the complexity surrounding the issue into something we can concretely address and to consistently integrate sustainability into our activities. This manual is updated and expanded on an ongoing basis to meet the latest requirements. The last update was in September 2017.

MATERIAL ASPECTS AND STAKEHOLDERS

The management manual defines sustainable development in terms of quality, environment, energy and occupational safety in combination with other corporate goals as issues for the company's management team to address, and sets out goals, measures, schedules and specifications for its implementation. The business processes and topics described in the manual – along with our organisational structure – result in the following relevant stakeholders and stakeholder groups for SCHWEIZER:

- Employees
- Customers
- Investors
- Suppliers.

There has been no additional analysis of stakeholders or areas of materiality beyond this, as the management manual is comprehensive in this respect.

The following section of the Non-Financial Statement focuses on Environmental, Labour and Social Issues, as well as measures for respecting human rights and combating corruption and bribery.

All information required for an understanding of the business processes, business results, the corporation's present situation and the effects of its activities on the aforementioned aspects is already part of the combined management report and is therefore not referred to again in this section of the annual report. They can be tracked via the GRI Index starting on page 84.

2. MISSION STATEMENT

Our mission statement explains the reasoning behind our strategy and actions. It conveys the values and guiding themes that are the pillars of our success.

VISION

We are a global "best-in-class" technology company. Our products conserve resources to safeguard the future of our children. We are a leading manufacturer of high-quality printed circuit boards (PCBs) and recognised producer of energy-saving, environmentally friendly products and services.

MISSION

Our mission is to ensure the success of our customers – and thus also that of our company! The goals of our customers, their faith in us and our pleasure in constantly pushing the boundaries of what is possible – these are the key drivers behind our success. We are able to achieve this based on our long-term experience, state-of-the-art technology, production methods and processes, and excellent knowledge of our target markets. We focus on attractive and promising business opportunities. Our activities as a family business with a long-standing tradition are geared towards long-term, sustainable success. Our employees form the basis for this success.

VALUES

The following values are important to us and guide our behaviour: Quality, Speed, Creativity, Openness. These values represent the foundation for our past, present and future.

QUALITY AND ENVIRONMENTAL AWARENESS

We commit ourselves to the reduction of energy consumption, to energy efficiency, to the continuous improvement of our performance as well as to contributing to environmental protection.

We are striving for the reduction of our environmental impact e.g. by the recycling of materials, which actively contributes to the protection of the environment, and we consider binding commitments resulting from our activities as well the compliance to applicable law and regulations an indispensable basis for our actions. Therefore, we are openly cooperating with authorities and the public in matters of environmental protection.

We stand for highest quality and care in all areas. Furthermore, we have set ourselves the target of a zero defect tolerance and constantly strive to improve our products and solutions. Thus, we are able to reduce rejects and offer our customers the best possible quality at the same time. With this attitude, we remain viable for the future and are well positioned to face forthcoming challenges.

This results in the following guiding principles that determine our actions and are based on our values. We are customer-oriented, creative, globally coordinated, versatile, competent, cooperative, friendly, inviting, competitive and consciously responsible.

Our Competency Framework for our employees was developed based on this mission statement. It sets out the guidelines for cooperation and management and is intended to help employees and managers orient themselves in their day-to-day work.

3. ENVIRONMENTAL ISSUES

Preventative assurance in terms of quality, environmental and energy reduces product costs by minimising the time and effort required for defective performance, and it reduces the ecological burden by minimising the need for follow-up work, thereby cutting energy and waste disposal costs. Another factor at play here is our will to continuously improve, which constitutes an essential building block in how we think and act.

At SCHWEIZER, the following fields of action have been identified in terms of environmental issues: environmental policy and planning, which include environmental and energy planning.

ENVIRONMENTAL POLICY

A core feature of our company is the will to continuously improve our performance and our contribution to environmental protection. In addition, our compliance with relevant laws and regulations forms the essential basis of all our actions. This is set out in both the vision and quality claim of our mission statement.

CERTIFICATION AUDITS UM ISO 14001/ EM ISO 50001

In the previous financial year, our environmental and energy management systems were subject to the regular review again. Both systems successfully passed the test. The relevant certificates therefore continue to be valid.

ENVIRONMENTAL ISSUES – CORE TOPICS AND INDICATORS

Concerning the environmental issues, the following material core topics and performance indicators can be identified for Schweizer Electronic AG's line of business:

- Energy consumption
- CO₂ footprint
- Water consumption
- Waste
- Use of resources (raw materials).

At SCHWEIZER, our employees are committed to environmental protection. This is particularly evident in energy management, the high level of readiness to sort waste, and the careful use of water. When measuring the relevant sustainability indicators, SCHWEIZER always refers to the production hour in each case in order to cope with the increasing complexity of the printed circuit boards.

The sustainability figures refer to SCHWEIZER's only production site, Schweizer Electronic AG, in Schramberg.

A second, sustainable production site is currently under construction in China. The company **Schweizer Electronic (Jiangsu) Co. Ltd.** is located in Jintan, Jiangsu province.

ENERGY CONSUMPTION & MEASURES TO REDUCE ENERGY CONSUMPTION

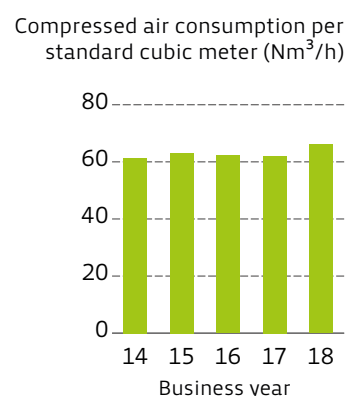
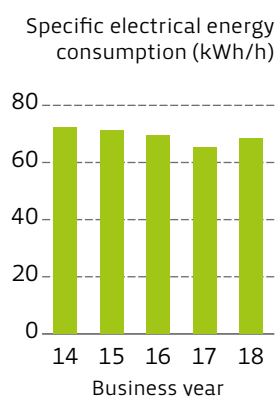
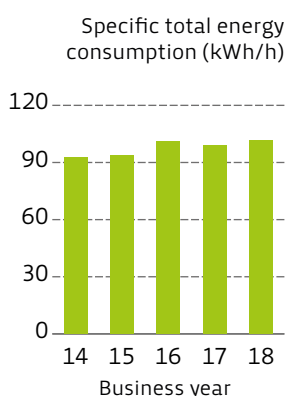
Energy efficiency is a key market driver of our PCB business. Our PCBs help our customers in the automotive sector to increase the fuel efficiency of their vehicles and reduce CO₂ emissions. It is therefore logical that energy management plays a significant role at SCHWEIZER, given the products and services we offer. For such an energy-intensive company as SCHWEIZER, energy efficiency is important not only in terms of conserving resources, but also with regard to cost management.

The specific electrical energy consumption slightly increased due to fluctuations in capacity utilisation in the fiscal year 2018, but has been reduced, however, in the course of the last years. This is due to effective cost-cutting measures implemented in recent years. In addition to regular software updates in production plants, which improve heating, cooling and standby properties in the production processes, this includes optimising the cooling network. As a result of this optimisation, the output of the network pump in the S1 and S5 plants could be reduced by approximately

50% in 2016. In the past fiscal year, the IAT network pumps were converted to pressure control.

Towards the end of the previous financial year, we set up a process heat network in the circuit formation lines area to save further energy costs. The network will be designed so other systems can utilise it at a later date. Although the use of the company's own combined heat and power plant as of 2016 has led to a slight increase in specific overall energy consumption, it has already led to a significant reduction in CO₂ emissions in its first two years of use.

The key figures identified at SCHWEIZER for reporting are the specific total energy consumption, the specific electrical energy consumption per production hour (kWh/h), and the compressed air consumption per standard cubic meter per production hour (Nm³/h). The slight increase of the specific values is due to fluctuations in capacity utilisation in the fiscal year 2018.



Business year	Specific total energy consumption (kWh/h)	Business year	Specific electrical energy consumption (kWh/h)	Business year	Compressed air consumption per standard cubic meter (Nm ³ /h)
2018	101.60	2018	68.26	2018	66.08
2017	99.17	2017	65.37	2017	61.97
2016	101.24	2016	69.51	2016	62.22
2015	93.48	2015	71.37	2015	63.09
2014	92.51	2014	72.25	2014	61.26

CO₂ FOOTPRINT AND MEASURES FOR REDUCING CO₂ EMISSIONS

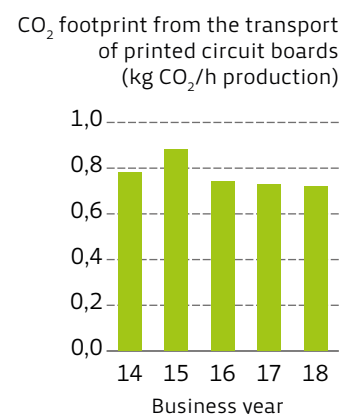
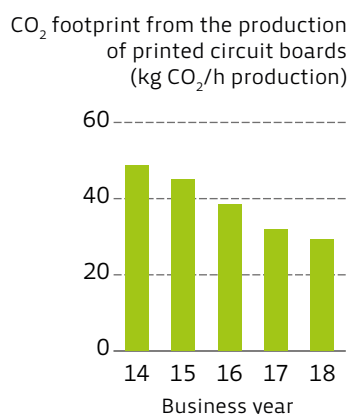
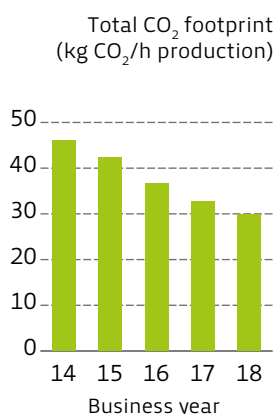
The overall CO₂ footprint is calculated from the production CO₂ footprint and the transport CO₂ footprint. For production, the data from the supply plants at the Schramberg site are used. For transport, CO₂ consumption data is taken from the Federal Environment Agency (UBA), which is recorded per ton of goods and kilometres driven in relation to the size of the truck. The CO₂ production footprint includes all indirect CO₂ emissions from electricity consumption and direct CO₂ emissions from gas combustion. The transport CO₂ footprint comprises the CO₂ emissions generated by transporting the finished printed circuit boards to customers.

Ongoing energy-saving measures and an increase in production capacity utilisation have led the production CO₂ footprint per hour of production to fall steadily in recent years. Since 2016, the company's combined heat and power plant (CHP) has been included in production CO₂ footprint calculations.

Use of the company's own co-generation plant has further reduced CO₂ emissions from production by more than 2 kg/hour of production since 2016.

All figures shown for the CO₂ footprint refer to production and transport from the Schramberg plant. SCHWEIZER turnover, which is directly delivered from WUS or MEIKO to our customers, amounts to 10 percent of total sales, but is not included due to a lack of underlying data.

The CO₂ footprint for transport can only be recorded as of the 2017 financial year. The 2017 value has been used as a starting point for 2016 and prior to this. The CO₂ footprint transport has been calculated in proportion to the delivery quantity in m². Overall, the CO₂ footprint for transport accounts for only about two to three percent of the total CO₂ footprint.



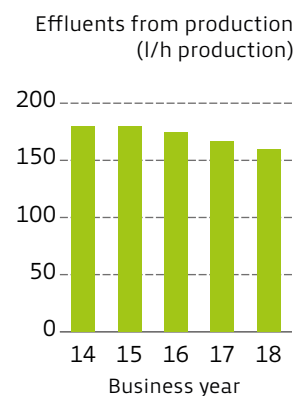
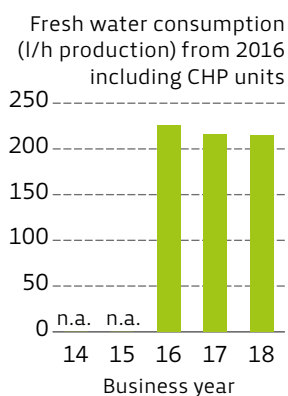
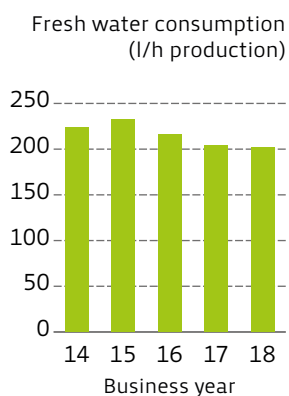
Business year	Total CO ₂ footprint (kg CO ₂ /h production)	Business year	CO ₂ footprint from the production of printed circuit boards (kg CO ₂ /h production)	Business year	CO ₂ footprint from the transport of printed circuit boards (kg CO ₂ /h production)
2018	29.93	2018	29.21	2018	0.72
2017	32.64	2017	31.91	2017	0.73
2016	36.61	2016	38.50	2016	0.74
2015	42.36	2015	45.03	2015	0.88
2014	46.00	2014	48.65	2014	0.78

WATER

The production of a printed circuit board contains many water-intensive processes, meaning the consumption of fresh water and the generation of production-related effluents are important indicators for assessing Schweizer Electronic AG's impact on the environment. Therefore, one of our most important tasks in the field of environmental protection is to continuously optimise fresh water consumption and effluents produced during production. For example, a measure introduced in 2012 to pipe excess water from air conditioning systems back into the rainwater return line enables us to save almost four percent of the fresh water purchased from the city every year. Environmentally friendly aspects are always taken into consideration when

planning and purchasing new plants. In 2016, a new surface cleaning plant was purchased that consumes less than half the amount of water per production hour that was required by its predecessor.

We have identified fresh water consumption (from 2016 including consumption by the CHP unit) and effluents from production as relevant key figures for reporting, in each case per hour of production. Fresh water consumption consists of the fresh water supplied by the city, rainwater and return water.

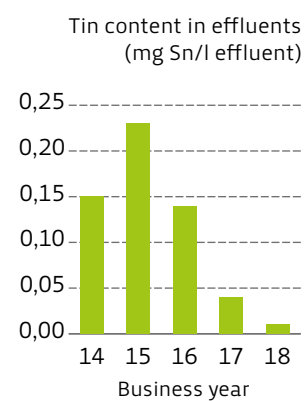
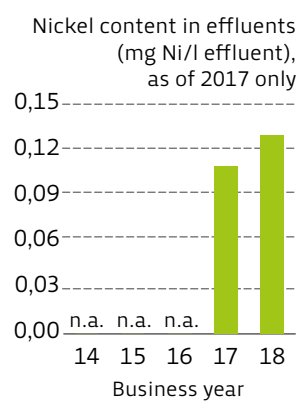
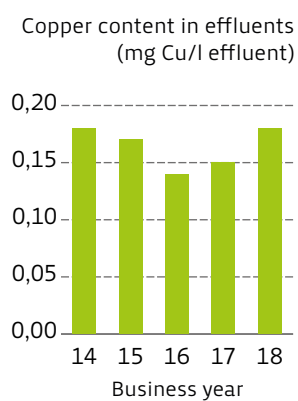


Business year	Fresh water consumption (l/h production)	Business year	Fresh water consumption (l/h production) from 2016 including CHP units	Business year	Effluents from production (l/h production)
2018	202	2018	215	2018	160
2017	204	2017	216	2017	167
2016	216	2016	226	2016	175
2015	232	2015	n.a.	2015	180
2014	224	2014	n.a.	2014	180

AMOUNT OF COPPER, NICKEL AND TIN IN EFFLUENTS

For this report, copper and nickel are the two metals which are especially relevant when identifying metals in water. Both have a permissible limit value of 0.5 mg/l of

effluent. For the sake of completeness, we also show the tin content. The limit value here is much higher at 2 mg/l of effluent.

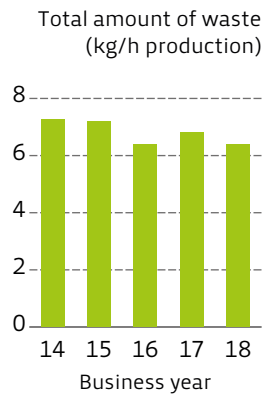


Business year	Copper content in effluents (mg Cu/l effluent)	Business year	Nickel content in effluents (mg Ni/l effluent), as of 2017 only	Business year	Tin content in effluents (mg Sn/l effluent)
2018	0.18	2018	0.13	2018	0.01
2017	0.15	2017	0.11	2017	0.04
2016	0.14	2016	n.a.	2016	0.14
2015	0.17	2015	n.a.	2015	0.23
2014	0.18	2014	n.a.	2014	0.15

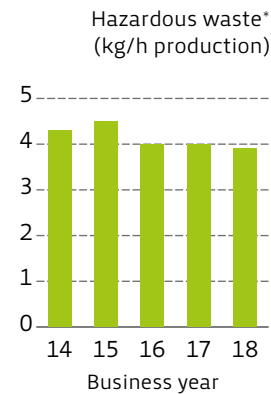
WASTE

Since the ISO 14001 environmental management system was introduced, waste and clean waste separation in particular have been prioritised. We pay attention to sorting waste consistently and correct disposal. Our aim

is to maintain or further improve this high level of waste separation. To safeguard waste disposal transport, trucks are randomly subjected to brief inspections.

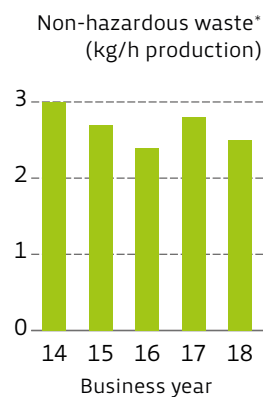


Business year	Total amount of waste (kg/h production)
2018	6.40
2017	6.81
2016	6.40
2015	7.21
2014	7.28

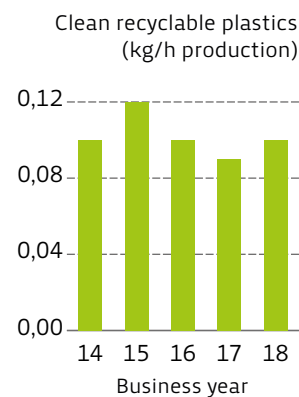


Business year	Hazardous waste* (kg/h production)
2018	3.9
2017	4.0
2016	4.0
2015	4.5
2014	4.3

*according to EU-wide regulatory categorisation



Business year	Non-hazardous waste* (kg/h production)
2018	2.5
2017	2.8
2016	2.4
2015	2.7
2014	3.0



Business year	Clean recyclable plastics (kg/h production)
2018	0.10
2017	0.09
2016	0.10
2015	0.12
2014	0.10

*according to EU-wide regulatory categorisation

RESOURCES

The supply of resources is a rather uncertain factor in the long term: while global demand is increasing, the rising scarcity of resources is leading to restrictions in availability and price hikes. Our mission obliges us to use resources sparingly. Furthermore, the economic factor is relevant for us both in terms of availability to ensure production and cost optimisation in procurement.

We are constantly striving to optimise and redefine our processes technologically to reduce the consumption of raw materials.

In conjunction with this report, we primarily define resources as the materials used in production, from base material laminates – a synthetic resin-impregnated fibre mat – through a wide range of metals for the production of conductor paths and surfaces to be refined, to the chemicals used in wet processes.

The procurement of raw materials / auxiliary materials is carried out according to a process plan defined in the management manual.

We generally expect our suppliers to use a QM system based on DIN EN ISO 9000 ff and pursue further development to ISO/TS 16949, as well as an environmental management system according to ISO 14001 and an energy management system according to ISO 50001/EMAS (for SMEs: energy audit according to EN 16247). For the procurement of energy services, products, facilities and energy, we proceed according to the criteria of the external specifications or our purchasing conditions.

Schweizer Electronic AG reserves the right to carry out quality audits at the supplier's premises. In special cases, it can be contractually agreed between our customer, our supplier/external manufacturer and Schweizer Electronic AG that the customer is entitled to carry out audits at our supplier/external manufacturer. This verification by the customer is not interpreted by us as proof of effective quality control at our supplier's/external manufacturer's plant. It does not release us from the responsibility of providing our customers with quality products.

CONFLICT MATERIALS

As a company with a long history and a recognised manufacturer of energy and environmentally friendly products and services, Schweizer Electronic AG takes its corporate social responsibility very seriously. This is why we try to avoid procuring the conflict materials tin, tantalum, tungsten and gold (also known as 3TG) from conflict regions.

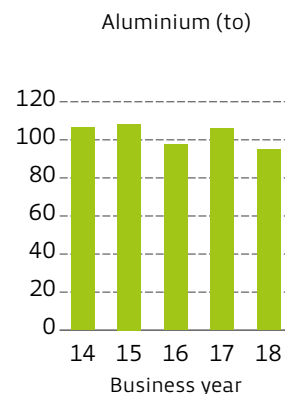
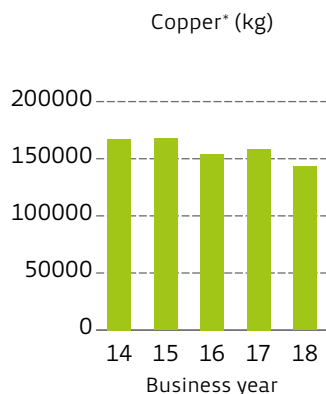
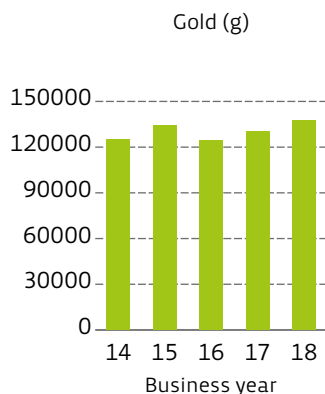
Conflict materials are being mined and sold under appalling conditions to support and finance armed conflict in the Democratic Republic of Congo and its neighbouring countries. In July 2010, the US government passed the Dodd-Frank Wall Street Reform and Consumer Protection Act to control and prevent the mining and trading of conflict materials. Section 1502 of the Dodd-Frank Act states that US listed companies must assess whether conflict materials are required for the manufacture or operation of their products.

Companies like Schweizer Electronic AG, which supplies to US listed companies, must also inform its customers when conflict materials are present in their products or supply chain.

As SCHWEIZER shares the opinion of its customers, we do our best not to purchase raw materials from the Democratic Republic of Congo. This is why we work closely with our suppliers. We expect our suppliers to source their minerals from conflict-free smelters and check their own supply chain for conflict materials. To obtain all the due diligence information we need for our clients, we ask our suppliers to complete the Conflict Mineral Report Template (CMRT).

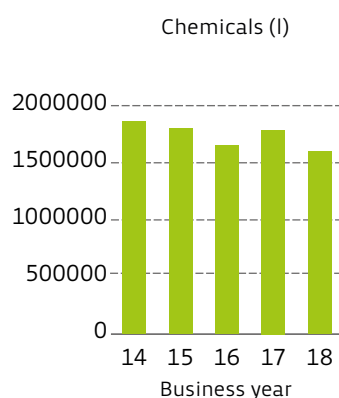
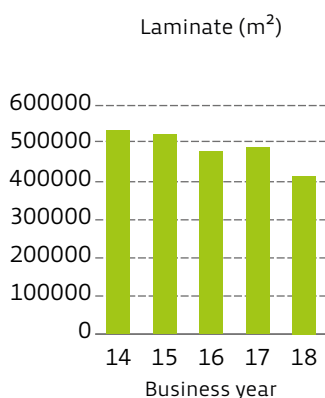
We also conduct regular supplier audits and evaluations of our largest suppliers and other relevant service providers with regard to quality management, environmental protection, sustainability and energy management.

MATERIALS USED BY WEIGHT



Business year	Gold (g)	Business year	Copper* (kg)	Business year	Aluminium (to)
2018	137,812	2018	143,421	2018	95.0
2017	130,446	2017	158,461	2017	106.0
2016	124,518	2016	154,233	2016	97.6
2015	134,183	2015	168,003	2015	108.4
2014	125,118	2014	167,182	2014	106.5

*the quantities for copper refer to copper anodes; other copper products (foil or laminates or chemicals) are in the laminates and are not listed separately.



Business year	Laminate (m²)	Business year	Chemicals (l)
2018	415,000	2018	1,599,155
2017	489,000	2017	1,787,080
2016	480,000	2016	1,651,399
2015	524,000	2015	1,801,122
2014	534,000	2014	1,858,955

4. EMPLOYEE ISSUES

At SCHWEIZER, the primary focus is on people. Our employees are one of our largest and most important reference groups. This is why employee satisfaction, health and safety, training and further education are essential.

We are committed to our code of ethics and comply with all relevant legal provisions on avoiding discrimination. All employees benefit from equal opportunities and treatment, irrespective of origin, skin colour, gender, creed, sexual orientation, political opinion, country of origin, social origin or anything else.

As of the end of the year, Schweizer Electronic AG employed 783 individuals in Germany. The annual average fluctuation rate was 3.96%. More than 26 percent of our employees have been with us for more than 25 years. In Asia, we employed 14 people as of the end of the year.

OCCUPATIONAL HEALTH AND SAFETY

A works agreement was drawn up in the 2017 fiscal year to be able to determine and evaluate the individual workloads of employees even more effectively than before and to develop measures to improve health protection and ensure humane working environments. This includes conducting risk assessments, recording physical and mental stress, and regulating the assessment of working conditions and measures to be taken in the working environment.

The first employee survey focussing on questions concerning physical burdens and mental stress was carried out amongst all employees in October 2017. Following its analysis by an external service provider, individual workplace inspections took place until the end of 2018, prioritised according to areas which had been identified as the most hazardous by the employees.

Thanks to measures proposed by the analysis team and worked out by the employees and managers concerned, improvements in the workplace design such as the reduction of manual load handling or noise pollution, have been achieved already at individual workplaces. Monitoring of the effectiveness as well as the regular repetition of the employee survey support the safeguarding of an effective

health protection through a continuous improvement process.

COMPANY INTEGRATION MANAGEMENT

Together with the Works Council we entered into a works agreement concerning the company integration management (BEM) in 2018. Targets of this agreement are the overcoming of the inability to work, the prevention of future inability to work as well as the retention of the workplace.

Employment protection and support are the overriding aims of the development of measures within the company integration management. This includes measures for the safety and health protection, the health supporting design of the workplace, the promotion of health as well as measures of in-company rehabilitation and professional development.

FLEXIBLE TRANSITION TO RETIREMENT

Furthermore, an internal working group and the works council devised an internal solution for partial retirement in 2017. This solution will facilitate a smooth and flexible transition into retirement for the benefit of our employees. The corresponding works agreement entered into force on 1 January 2018. In 2018 six employees entered into partial retirement. Four employees work in shifts, two employees in the administration. The duration of the partial retirement period lasts from min. two years to max. six years. For the current fiscal year further agreements have already been concluded with additional employees.

TRAINING

SCHWEIZER employs an average of 27 trainees and dual students who are trained for the company's own requirements. An apprenticeship with us is regarded as the basis for a secure professional future. We believe it important to employ specialists who have already familiarised themselves with our company during training.

The training programme at Schweizer Electronic AG covers both commercial and industrial professions. The company trains everybody from industrial clerks to industrial mechanics and mechatronics engineers to surface coaters. Depending on requirements, we also employ electronics

technicians, IT specialists and dual students in the fields of business administration, industry and business informatics.

Schweizer Electronic AG stands for quality training. In addition to technical training in the departments and training workshops, our trainees and dual students are responsible for various projects such as events, company videos and trade fair exhibits. These independent projects promote motivation and independence in their everyday professional life. In addition, workshops, educational trips, team and communication training, training in driving safety and events are provided for the purpose of mutual exchange and to strengthen the community.

TRAINEE PROGRAMME

With the establishment of a new production site in China, we started a trainee programme in 2018. Within this programme, we train employees, destined to work at our plant in China, over the course of approx. one year at our site in Schramberg.

FURTHER EDUCATION AND HEALTH MANAGEMENT

SCHWEIZER offers external and internal training measures as required. In addition to regular safety briefings, the internal training programme at SCHWEIZER includes a range of courses on innovative technologies and work processes, including quality and energy management, PC training and seminars on labour and tax law as well as health management. In addition to imparting knowledge, further education programmes are often primarily aimed at raising awareness, which is why we regard repeat participation in many cases as a good refresher.

PERFORMANCE REVIEWS AND BRIEFINGS ON OCCUPATIONAL SAFETY, ENVIRONMENTAL PROTECTION AND ENERGY MANAGEMENT

In the fiscal year 2018 the annual performance appraisal system had been replaced by a new works agreement for a revised performance appraisal. The target of the revised performance appraisal is to establish a transparent appraisal instrument which is comprehensible for all employees. The appraised performance is basis for the performance-related remuneration component and embedded into the yearly performance appraisal conversation. A trial performance appraisal without effect on the remuneration had

been carried out as a training measure for all employees by October 1st, 2018. Within a one-day workshop, the managers had been trained by external experts, which included a simulated conversation. The first real appraisal will take place in 2019.

Recurring briefings on occupational safety, environmental protection and energy management are also held annually. For newly hired staff, briefings take place on the first working day. The aim of the briefings is to provide employees with knowledge of occupational safety, environmental protection and energy management before starting work for the first time and to motivate them to act accordingly by regularly repeating this training.

The relevant indicators with regard to employment, occupational safety and health protection include the total number of employees hired, staff turnover, accidents at work and the resulting days of absence.

Number of occupational and commuting accidents and resulting absences

Business year	Number of accidents at work and on the way to work*	resulting days of absence
2018	22	286
2017	12	110
2016	16	189
2015	13	105
2014	12	113

*These are accidents at work and on the way to and from work, which are subject to reporting requirements.

More than half of the accidents in 2018 were external commuting accidents or happened on in-plant ways, without work machinery or tools being involved. They tripled compared to the previous year. Analyses proved this to be an accidental increase, which is not related to systematic causes. Prevention measures are in process.

Number of employees and average fluctuation rate

Business year	Number of employees on 31.12	Average fluctuation rate
2018	814	3.20 %
2017	797	3.96 %
2016	787	3.20 %
2015	774	3.04%
2014	773	3.44%

Total number of newly hired employees

Business year	Total	male	female
2018	65	31	34
2017	76	45	31
2016	77	35	42
2015	75	47	28
2014	86	54	32

As of December 31, 2018 the number of employees at SCHWEIZER amounted to 814 people, 281 women and 533 men. 15 women and four men worked part-time.

5. SOCIAL ISSUES

CORPORATE SOCIAL RESPONSIBILITY

For almost 170 years, we have been closely committed to the location of Schramberg and served as an important employer in the region. It is our concern to not only create and secure jobs, but to promote social, cultural and sporting activities in the city and surrounding region, and to ensure that the location is attractive and worth living in for present and future generations of employees and their families.

One of the projects that Schweizer Electronic AG has supported in recent years is the International Schramberg Organ Competition, which is organised every four years and took place for the fifth time in summer 2016. It has an excellent reputation in the international youth music scene and among local residents. Other cultural projects are in the pipeline.

For the younger generation, the 'Mini Schramberg' large-scale games project took place once again in summer 2017. During the first week of the school holidays, more than 500 children took over city hall and the city centre to prepare themselves for life as employees and citizens of the city. As a local employer, SCHWEIZER sees itself as jointly responsible for ensuring that the next generation is prepared for its future at home, at school, and in other projects that have an impact on day-to-day life. This is why the company also regularly participates in the Schramberg Summer Campus. Held every year towards the end of the school holidays, the event gives young people the opportunity to get to know different areas of expertise and employers, helping them to make a decision on their further career.

Employees at SCHWEIZER are also involved in social projects. In spring 2017, for example, employees suggested that a local kindergarten in Sulgen be redesigned for the children and the company assisted the project both financially and with hands-on involvement. Trainees at SCHWEIZER helped to dig up the garden and install the playground equipment. Projects such as this are a core part of our training programme. Plans for social projects are underway for the

current financial year. These projects will receive assistance from SCHWEIZER's trainees during working hours.

Schweizer Electronic AG is also involved in promoting sports at local level. For years the company has been the main sponsor of the Tria Schramberg e.V. triathlon association and organises local sporting events together with the club. SCHWEIZER's employees also participate in these events. Employees are also encouraged to take part in other sporting events in the region. In order to support the local community in Schramberg, the company supported events of the Association Szene 64.

Since 2018, we have been financially supporting the Forum Kunst in Rottweil within the framework of a benefactor agreement. The Forum Kunst was founded as an art association in 1970 with the aim to foster the confrontation with contemporary art. Since its foundation, the organisers have been cautious to offer a platform not only for regional artists but also artists of national and international reputation to promote the exchange. At the same time this enhances the attractiveness of the region as living space for employees and their families.

In addition, we granted once more a donation to the Stiftung Lebenshilfe Rottweil, an organisation supporting severely handicapped people. Thanks to the various activities of these so-called "Lebenshilfe" associations and their institutions, a significant contribution towards the integration of handicapped people is ensured.

On an international level, we support the Association for the Promotion of Street Children in Bolivia e.V. (Fundacion Arco Iris). This association was founded in 1997 on the initiative of priest Josef Maria Neuenhofer from Dunningen and primarily assists street children in the Bolivian capital of La Paz. It supports kindergartens and school education services, and provides health care and food for destitute children and young people.

6. RESPECT FOR HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION AND BRIBERY

Respect for human rights is a central component of our corporate management and is set out in detail in our Code of Ethics, our CSR policy and our Conflict Minerals Policy, which is communicated to every employee and supplier. For verification purposes, we expect our suppliers to return the completed Conflict Mineral Report Template (CMRT) to us.

We attach great importance to the fight against corruption. We reject all forms of corruption. We therefore expect our employees and authorised representatives to report all suspected cases of corruption to the Board of Management. We have set out all details for the prevention of corruption in an extra guideline and made it available to our employees.

WHISTLE-BLOWING SYSTEM AT SCHWEIZER

Since we have a strong interest in reporting violations of laws, regulations and internal rules in order to detect and clarify unlawful behavior in the company, we introduced a whistleblower system at SCHWEIZER in the past financial year and concluded a corresponding company agreement. Early guidance from employees, former colleagues, customers, and third parties can help to adopt a preventive strategy to avert material and immaterial damage, legal consequences, and reputational damage to the company and its employees.

The whistleblowing system opens up a confidential communication channel in which employees and others have the opportunity to electronically report violations in connection with the company to a central processor. Particular care is taken to ensure that the rights of the individual, the informal right of self-determination and the privacy of the participants are respected.

7. GRI CONTENT INDEX

The Non-Financial Statement contains standard disclosures from the GRI Sustainability Reporting Guidelines.

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Brief description for the respective information	Reference to the position in the Non-Financial Statement or in the Annual Report	Explanation of omission or alternative presentation
Organisational profile			
G4-3	Name of organisation	Non-Financial Statement 2018 Page 4	
G4-4	Brands, products and services	Annual Report 2018 Page 33ff, 92	
G4-5	Company headquarters	Annual Report 2018 Page 92, 1558	
G4-6	Overview of sites	Annual Report 2018 Page 32	
G4-7	Ownership and legal form	Annual Report 2018 Page 29, 32, 58, 92, 132	
G4-8	Markets	Annual Report 2018 Page 38 – 40, 48 – 51, 53, 105	
G4-9	Size of company	Annual Report 2018 Page 3	
G4-13	Significant changes within the organisation	Annual Report 2018 Page 32, 48	
G4-14	Precautionary principle	Non-Financial Statement 2018 Page 4, 5 Annual Report 2018 Page 51 – 57	
Identified material aspects and boundaries			
G4-17	Companies in the consolidated financial statements	Annual Report 2018 Page 32, 99, 132	
Report profile			
G4-28	Reporting period	Business year 2018 (01.01. – 31.12.2018)	
G4-30	Reporting cycle	annual	
G4-32	GRI Index	Non-Financial Statement 2018 Page 18	
G4-33	Internal assurance	This sustainability report was not audited externally. The quality of the data was reviewed by the Supervisory Board.	
Governance			
G4-34	Governance structure	Annual Report 2018 Page 8, 58, 130 – 131, 142 – 149	
Ethics and integrity			
G4-56	Code of Conduct and Ethics	Non-Financial Statement 2018 Page 4, 5, 13, 16 Annual Report 2018 Page 142 – 149	

SPECIFIC STANDARD DISCLOSURES

Specific Standard Disclosures	Brief description for the respective information	Reference to the position in the Non-Financial Statement or in the Annual Report	Explanation of omission or alternative presentation
Economic			
Economic performance			
G4-EC1	Direct generated and distributed economic value	Annual Report 2018 Page 3, 37 – 48, 85 – 133	
Environmental			
Materials			
G4-EN1	Materials used by weight or volume	Non-Financial Statement 2018 Page 12	This is a quantitative list of the most important production materials. Due to its complexity, it is currently not possible to break it down into renewable and non-renewable materials. Packing materials are not included.
Energy			
G4-EN5	Energy intensity	Non-Financial Statement 2018 Page 6	The total energy consumption includes power and gas. The hour of production serves as the organisation-specific parameter for measuring the intensity. The information at SCHWEIZER is indicated as specific energy consumption.
Water			
G4-EN8	Total water consumption by source	Non-Financial Statement 2018 Page 8	The information is not shown per production hour rather than in absolute values.
Emissions			
G4-EN15 and G4-EN16	Direct GHG emissions (scope 1) Indirect energy-related GHG emissions (scope 2)	Non-Financial Statement 2018 Page 7	The diagram contains the total CO ₂ footprint, which includes both direct CO ₂ emissions (gas combustion) and indirect CO ₂ emissions from electricity purchased from utility companies. An additional distinction is made between the CO ₂ footprint resulting from production, which also consists of direct emissions, and the CO ₂ footprint caused by transporting our goods (direct emissions only). Gas, petrol and electricity consumption were used to determine CO ₂ . No oil was used. Since the consumption values of the utility companies (electricity) are not supplied until the autumn of the following year, the value is determined using the previous year's values as an estimate. Information is shown per production hour.
G4-EN18	Intensity of GHG emissions	Non-Financial Statement 2018 Page 7	
G4-EN19	Reduction of GHG emissions	Non-Financial Statement 2018 Page 7	SCHWEIZER gives information in a CO ₂ footprint (per production hour).
Effluents and waste			
G4-EN22	Total volume of effluent discharge by quality and place of discharge	Non-Financial Statement 2018 Page 9	The information is not shown per production hour rather than in absolute values. The quality of the effluents is indicated in mass per volume based on selected residual metal impurities.
G4-EN23	Total weight of waste	Non-Financial Statement 2018 Page 10	The figure includes the total amount of waste and the breakdown into hazardous and non-hazardous waste and clean recyclable plastics per hour of production.

Specific Standard Disclosures	Brief description for the respective information	Reference to the position in the Non-Financial Statement or in the Annual Report	Explanation of omission or alternative presentation
Social			
Employment			
G4-LA1	Total number of newly hired employees and staff turnover	Non-Financial Statement 2018 Page 15	The number of employees and the total number of newly hired employees are stated in absolute figures. The fluctuation rate is expressed as a percentage and is not separated by gender. The number of new employees and the fluctuation rate refer exclusively to the Schramberg site. The number of employees includes all employees, 14 of whom were working in the offices in Asia as of 31 December 2017.
Occupational health and safety			
G4-LA6	Occupational accidents, lost days, fatalities	Non-Financial Statement 2018 Page 14	A list is provided of accidents subject to reporting requirements at the Schramberg site and the resulting days of absence. There were no fatalities.
Training and education			
G4-LA10	Competence Management and Training Programs	Non-Financial Statement 2018 Page 13, 14	There are no transitional aid programmes for people leaving the profession.
G4-LA11	Regular Employee Performance Reviews	Non-Financial Statement 2018 Page 14	It is not possible to list employees by gender or employee category.
Society			
Anti-corruption			
G4-SO4	Information and training on anti-corruption guidelines and procedures	Non-Financial Statement 2018 Page 16 Annual Report 2018 Page 142	Employees and suppliers are kept up to date. Information on this is permanently accessible.
Product responsibility			
Product and service labeling			
G4-PR5	Results of customer satisfaction surveys	Annual Report 2017 Page 36	The data refer to the customers of the Schramberg site.

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