

BERNINA SUSTAINABILITY REPORT 2025



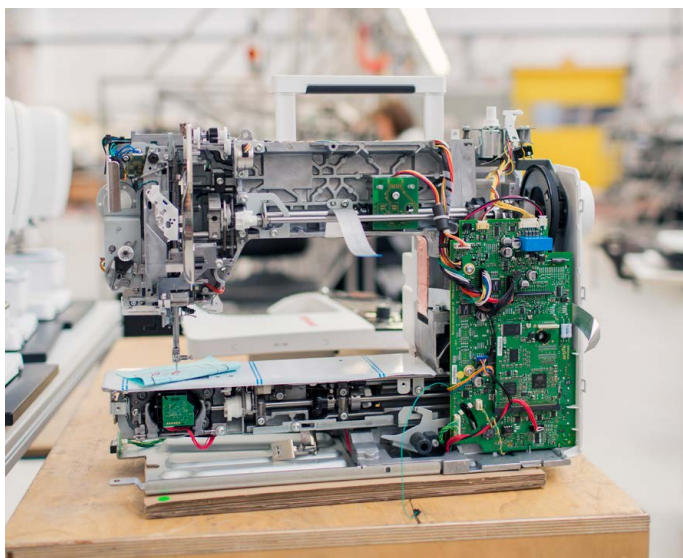
02/23/2025



BERNINA
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1. CEO Introduction

Dear Ladies and Gentlemen,

BERNINA is a traditional Swiss company, taking measures to preserve the environment, manufacturing products for a sustainable lifestyle and being committed to offering our staff a safe and rewarding workplace. This has been a vital part of our reason for existence.

From the origin of the company, we have seen sustaining operations and sustaining ways of working not only as a key responsibility for our organization to add to society's wellbeing and to preserve natural resources, but also to work effectively and efficiently.

It is this Win-Win, preserving and sustaining behavior ethics adding to a healthy organizational development, which makes it more than logical for us to become better day by day, year by year.

Some examples of our operation show our clear commitment to a sustaining future: Recycling of valuable resources and energy saving measures in our production process have been implemented since the early existence of our company. As a result, we have been certified ISO 9001 since 2004. And we do not stop; we are not happy to remain at a status quo. With our founders' words "BERNINA is always at the beginning, never at the end" we continue to improve our footprint.

As an example, in 2025 we have installed a rooftop solar system, contributing a significant share of the electricity in our head-office in Steckborn, Switzerland. And as every year in our operations in both Steckborn and Chiang Mai in Thailand, we have targets to reduce our energy consumption versus the previous year. Progress is tracked monthly and is being presented and reviewed in the management.

In all our efforts to become increasingly sustainable, we are very much proud of what we have achieved and what we further will be able to improve and achieve. But even more rewarding is that our customers buy our products to live a sustaining lifestyle. This is indeed the highest contribution we can make to society.

Kai Hillebrandt

CEO BERNINA Textile Group

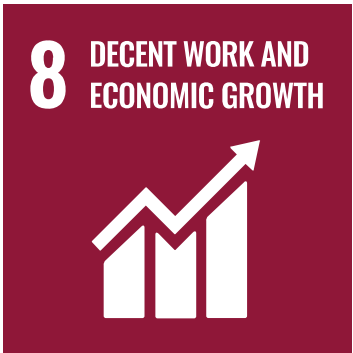


2. Sustainability Strategy

BERNINA is adhering to the SDG goals and has prioritized the 17 different goals in accordance with the core values and principles.



While we try to contribute to all goals, the top 4 ranked goals enjoy specific focus and are part of the company's general business strategy.



SDG 8 – DECENT WORK AND ECONOMIC GROWTH
BERNINA has continued to grow and create jobs with attractive working conditions. It is our continuous aim to provide a safe and healthy work environment.



SDG 9 – INDUSTRY, INNOVATION AND INFRASTRUCTURE
BERNINA invests in long lasting and efficient products, modern, efficient production infrastructure as well as in fair, transparent and ethical industrialization and processes.



SDG 12 – RESPONSIBLE CONSUMPTION AND PRODUCTION
BERNINA is keen to reduce waste throughout the entire supply chain. Production processes are built to ensure efficient consumption of resources.



SDG 13 – CLIMATE ACTION
BERNINA continuously implements small and large measures to reduce energy and water consumption.

3. Environmental Sustainability

BERNINA considers care for the environment an important and vital aspect of its corporate responsibility. The company has the determination to continuously improve its environmental performance and focuses on efficient use of raw and auxiliary materials, energy, and water. Another aim is to avoid air and water pollution as well as to minimize the use and disposal of toxic and hazardous chemicals.

3.1 ELECTRICITY FROM RENEWABLE RESOURCES

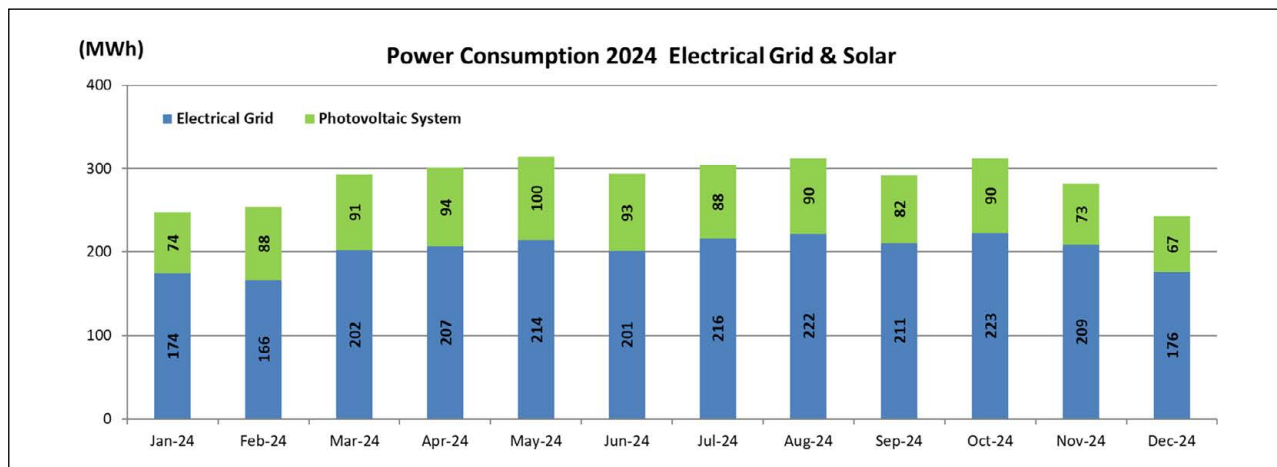
PLANT THAILAND

BERNINA Thailand has invested in a 817kWp solar rooftop system in 2023. In total 1422 panels with 575 Wp each have been installed.

The system is expected to contribute about 30% of our electric power consumption in our BERNINA Thailand production plant (status 2024).

The system installation was performed in the first half of 2023 and the grid connection was mid-June 2023. The resulting energy balance since the grid connection of the rooftop solar system is as follows:

In 2024 total power consumption BT was 3'451MWh; power supply from renewable resources was 1'030MWh (29.8%). Below chart shows the Electrical Power consumption over the entire 2024.



PLANT SWITZERLAND

Project "Seewärme"

BERNINA International and the local regulators agreed to cooperate in the regional project "Seewärme" with the temperature of the Lake Konstanz being used as heating system. The size of the plant and its proximity to the lake provides the opportunity to use BERNINA as anchor point allowing BERNINA the usage but also act as provider for other stakeholders in the area. In a recently held status meeting with the government of Steckborn, BERNINA has reaffirmed its willingness to act as a key player in this project which will be processed towards pre-study.

Solar Roof Top System Steckborn

BERNINA International has invested in a 204.75kWp solar rooftop system in 2024. In total 455 panels with 450Wp each have been installed.

The system is expected to contribute about 40% of our electric power consumption in our BERNINA plant (status 2025).

The system installation was performed in the first half of 2024 and the grid connection was in December 2024.



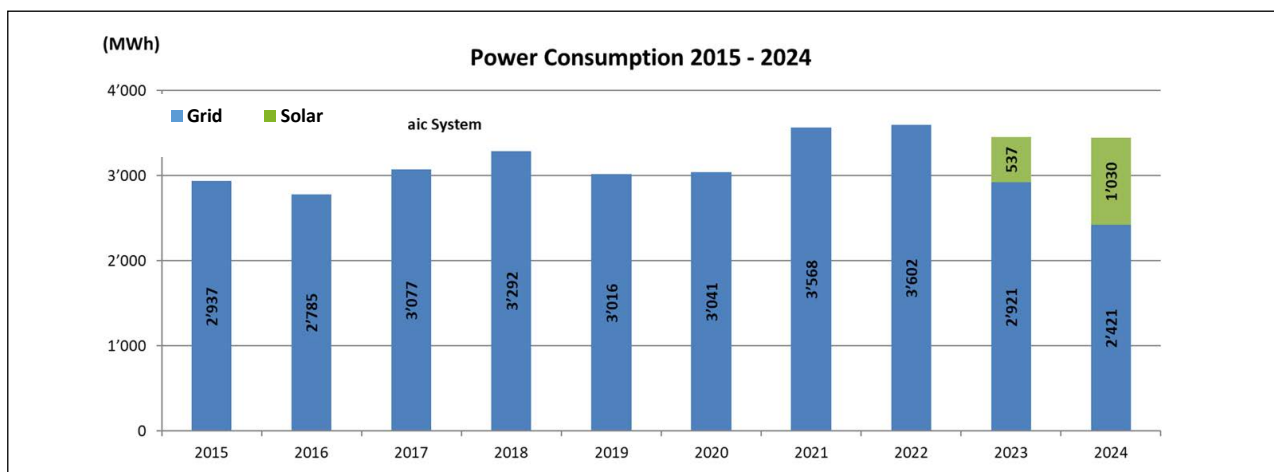
3.2 ENERGY AND WATER CONSUMPTION SAVING MEASURES

PLANT THAILAND

Over the recent years, BERNINA Thailand has continuously implemented measures to reduce the usage of energy in our plant. Driving factors are the application of improved technologies (use of LED light, variable speed pumps, inverter air conditioners, substitution of machinery) and advanced building construction measures.

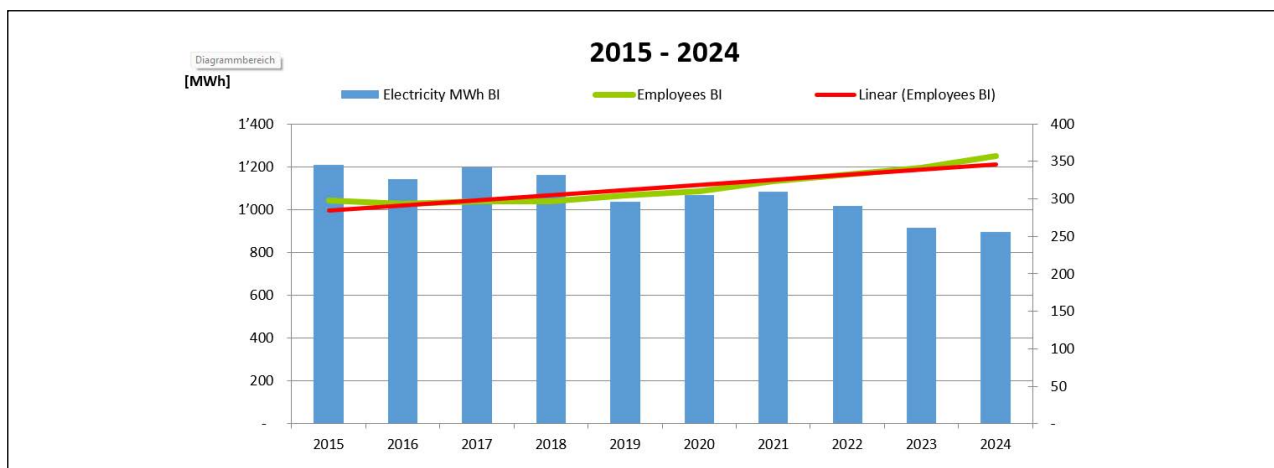
BERNINA Thailand is participating at the initiative of the government with the goal to continuously improve power management in the plant. Such improvement measures are summarized in a yearly report that is submitted to the government.

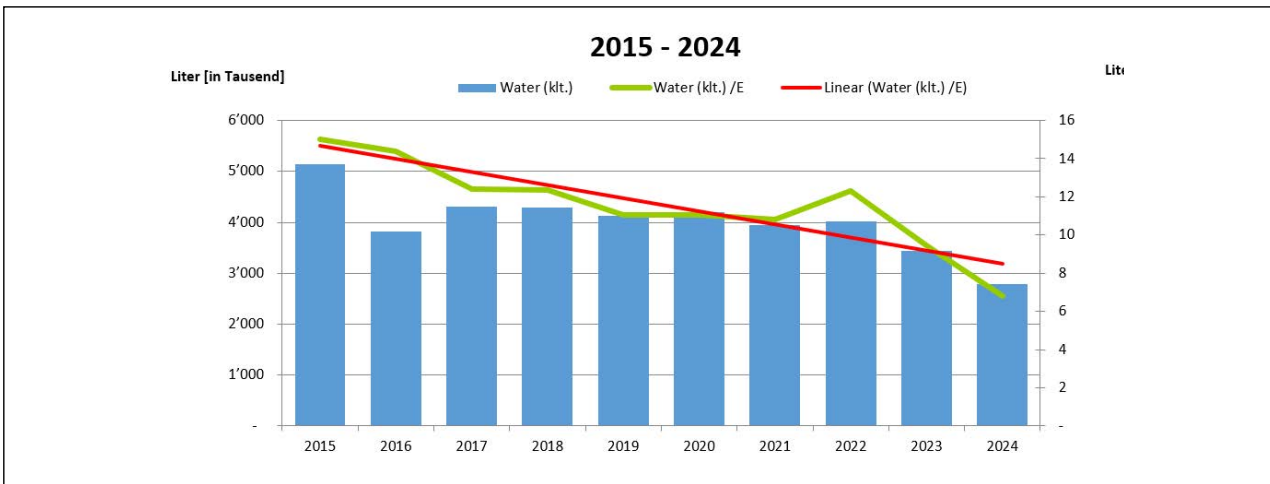
Energy saving measures are also part of our year-on-year KAIZEN and small group activities with the goal of continuously improving our processes and energy behavior.



PLANT SWITZERLAND

BERNINA International in Steckborn has invested in improved technologies. The conversion from outdated light installations into LED light is further processed in all areas of the plant. The clear-out of the remaining old machinery types from the late 70s will be continued upon demand. The technology transfer to state of the art machines is slightly delayed and expected to be finished by Mid 2027. BERNINA International is also continuously renovating the facility and spends up to CHF 1 Mio per year on dedicated projects. Our continuous efforts are tracked in the following charts:

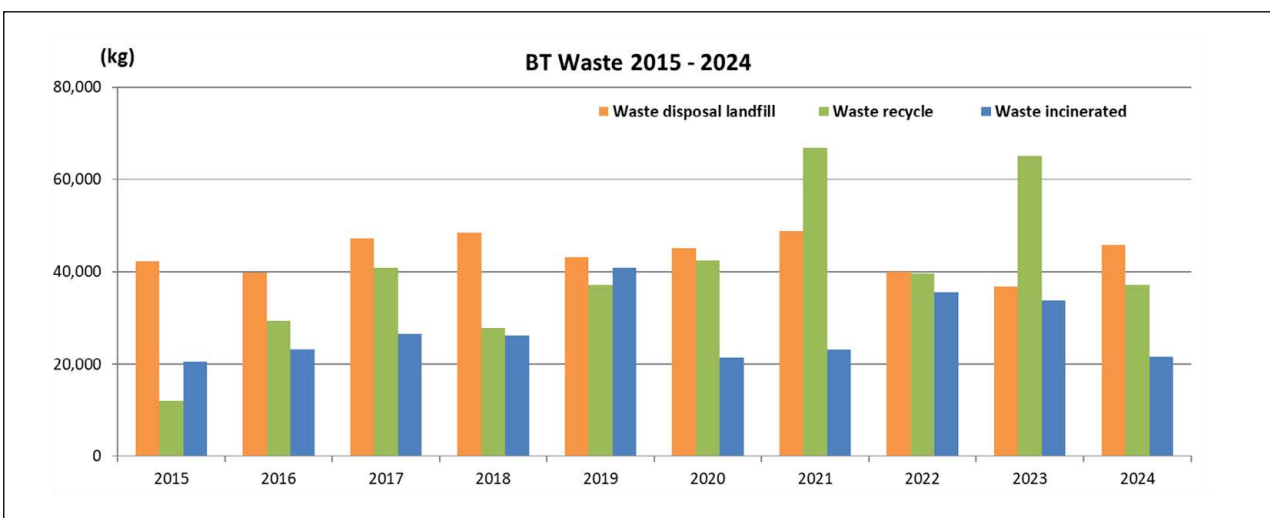




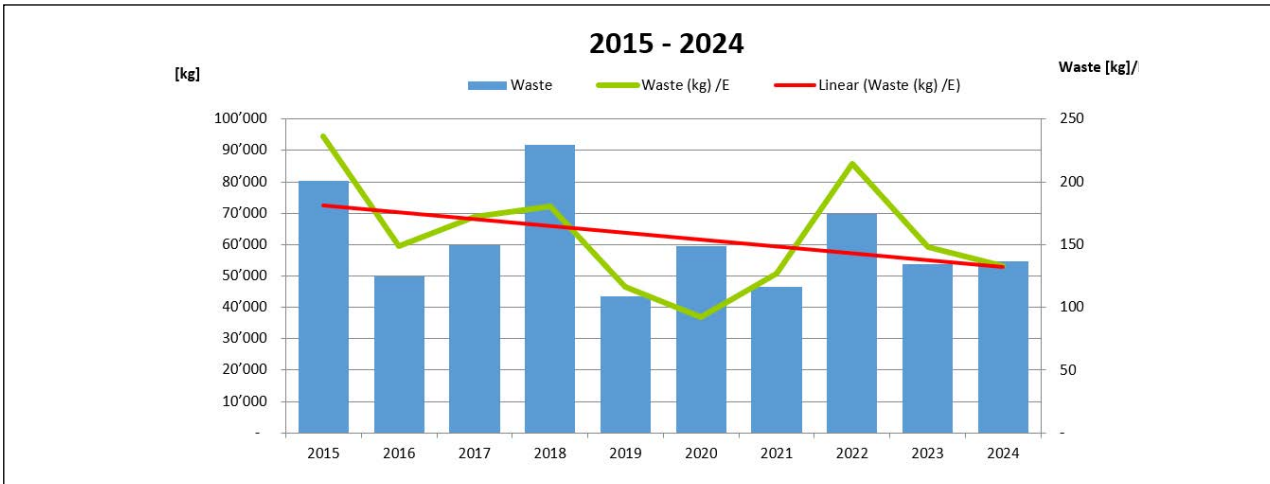
3.3 WASTE MANAGEMENT

BERNINA tries to conserve resources and avoid waste wherever possible, not least for economic reasons. The avoidance of waste starts with the design of a product and ends with the segregation of garbage. One of our main drivers is the management of obsolescent parts. As a premium brand manufacturer, it is our aim and duty to serve our customers and consumers with outstanding service, and one part of it is a spare parts warranty up to 20 years for mechanical parts after the last production of a machine. The consumption of spare parts is difficult to predict and can lead to high excess stock to be scrapped after the termination of the warranty period. BERNINA is using statistical forecast methods and a variety of data to determine the number of parts held aside. The spare parts management is supported by a platform strategy enabling the usage of common parts for various products, extending their lifetime and reducing the risk of obsolescence due to uniqueness.

PLANT THAILAND



PLANT SWITZERLAND



The fluctuations in the waste statistics are due to the above mentioned spare parts warranty system. At the end of the warranty period, components will be disposed of.

3.4 CHEMICALS AND HAZARDOUS SUBSTANCES

PLANT SWITZERLAND

In our previous report, we outlined how we concluded a project in 2023 and 2024 aimed at improving the handling of hazardous materials. The new storage facility is now operational and fully compliant with all regulatory requirements. We have established new processes and work instructions under the responsibility of the Safety Officer at the Steckborn site. The procurement of hazardous materials is now centrally managed.

4. SOCIAL RESPONSIBILITY

BERNINA understands social sustainability as an essential part of its business process. Our long-term HR strategy includes all economic, ethical, social, gender and other topics.

BERNINA strives for cooperative and positive relations with its employees. These relations promote the capability of all participants to combine economic and social values within potential areas of conflict between employer and employee.

4.1 CHILD LABOR

BERNINA respects the UN Convention on the Rights of the Child and employs children under the age of 16 exclusively for training purposes such as dual apprenticeship, etc. At all times, particular attention is paid to the health risks, safety and morals of young people.

4.2 FAIR COMPENSATION / LIVING WAGE

BERNINA pays its employees in accordance with local standards, exceeding the minimum legal requirements. Remuneration is reviewed annually and is checked for market and internal fairness.

4.3 GENDER EQUALITY

All job openings are advertised in a non-limiting way (m/f/d). Hirings are done in the grandfathering model.

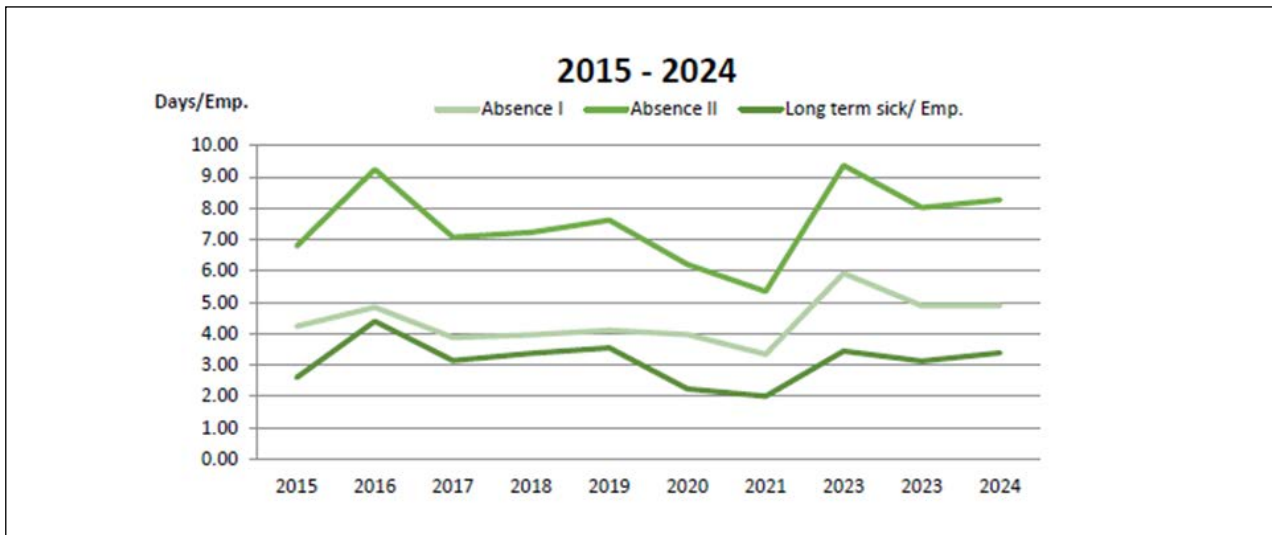
4.4 INCLUSION

BERNINA takes the needs of people with disabilities into account when designing workplaces, thereby enabling people to be a valuable part of society. BERNINA cooperates with local regulators providing workspace and job opportunities to reintegrate people after recovering from long-term mental or other illnesses.

4.5 OCCUPATIONAL SAFETY AND HEALTH

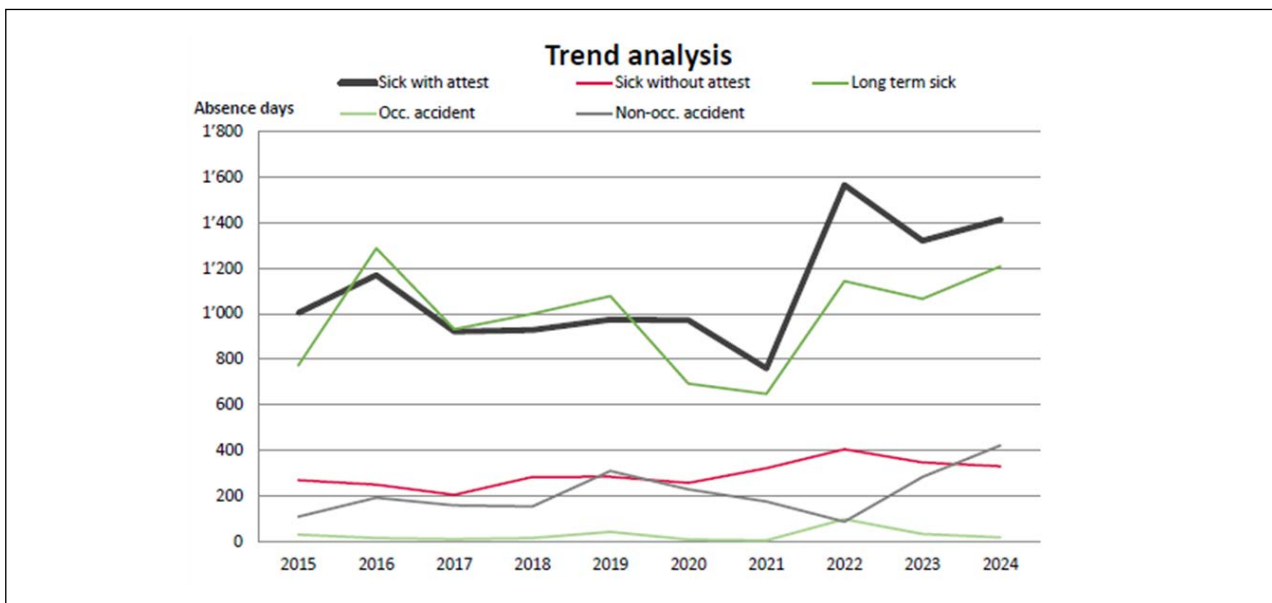
By constantly reviewing occupational safety measures in accordance with local, official requirements as well as ongoing training of our employees in the areas of occupational safety and health protection, we create a sustainable footprint in social sustainability.

We use standard measurement approaches to track our efforts:



Absence I = Sick + Sick without attest (short term) (Days/Employees)

Absence II = Absence I + Sick long term (Days/Employees)



4.6 EMPLOYEE SATISFACTION

BERNINA evaluates the mood and needs of employees through cross-location, repetitive surveys, derives measures and thus increases employee satisfaction and loyalty.



4.7 INDIVIDUAL DEVELOPMENT

The individual development of all employees is of a high standard within BERNINA. With different actions we assure a broad knowledge base for future success.

5. Supply Chain Sustainability

BERNINA understands sustainability within its supply chain as an essential part of its business process. Our long-term supplier strategy includes all economic, ethical, social, and ecological topics.

BERNINA strives for cooperative and positive relations with its suppliers. These relations promote the capability of all participants, to combine economic and social values within the area of conflict between price, quality, reliability, innovation, and sustainability, while taking social and ecological aspects such as human rights, working conditions, corruption, physical and psychological health, and furthermore into account.

5.1 ONBOARDING OF NEW SUPPLIERS

BERNINA has established a supplier onboarding procedure which ensures that only suppliers are onboarded into BERNINA's supplier portfolio which complies with the high principles of BERNINA regarding their sustainable supply chain.

The onboarding process consists of two main milestones:

- **Supplier self-assessment incl. core principles of BERNINA and Certifications**
- **Supplier Assessment (see chapter 5.3.2)**

5.2 CODE OF CONDUCT

BERNINA expects the commitment of its suppliers to BERNINA's Code of Conduct, which consists of its principles:

- **Human Rights**
- **ILO Core Standards**
- **Employee Safety and Promotion**
- **Environmental Safety**
- **Child Labor**
- **Observation of regional legal regulations**
- **Business Integrity**
- **Disuse of minerals originating in conflict regions according to the RAND list**

Every supplier of BERNINA is obliged to commit to BERNINA's principles by signing the BERNINA Code of Conduct.

5.3 SUPPLIER VISITS

The category management is creating an annual supplier visit plan as part of their annual category strategy paper. The team ensures that every A or B supplier or special rated supplier is visited every 3 years by undertaking one of the two potential visit types:

- **Qualified supplier visit**
- **Assessment**

5.3.1 QUALIFIED SUPPLIER VISIT

The visitor inspects in accordance with the standard assessment document. The reduced assessment report contains business-related as well as sustainability topics summarized in a visit report which includes the sustainability rating of the supplier.

5.3.2 SUPPLIER ASSESSMENT

The supplier assessment is executed by an interdisciplinary team from BERNINA's supply chain management and quality management. Within the assessment at supplier side, the assessment chapters "quality management", "process", "safety", "sustainability" and "environmental safety" are assessed and reported.

5.4 SUPPLIER ASSESSMENT

Every A and B supplier is evaluated once a year against performance and risk. In the annual supplier evaluation, sustainability and compliance with BERNINA's Code of Conduct are an integral part. If any of the sustainability questions cannot be evaluated, a supplier visit must be made within the next 24 months.

5.5 INCOMPLIANCE WITH SUSTAINABILITY CORE STANDARDS

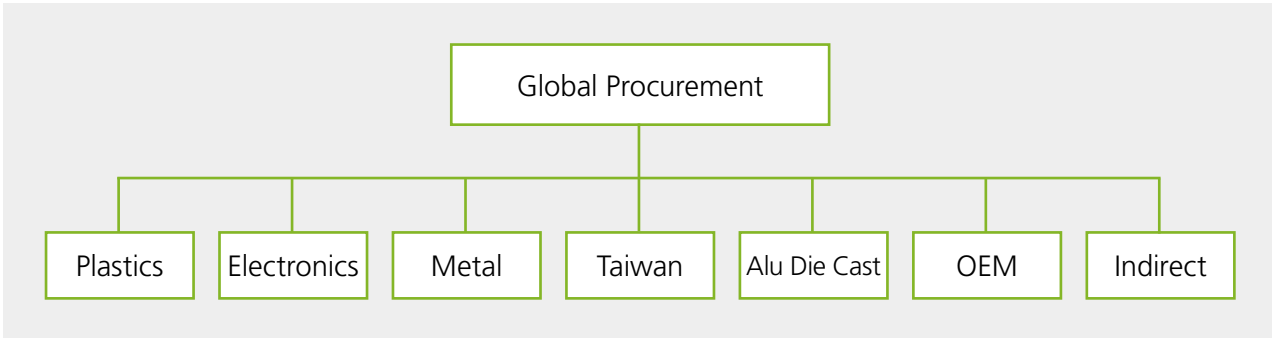
If any non-compliance with the core standards of BERNINA is observed at the supplier, the supplier is obliged to achieve re-compliance with BERNINA's core standards within a 6-month period, followed and underlined by a re-assessment of the supplier. If the supplier does not achieve re-compliance, the phase-out procedure will be initiated immediately.

5.6 SUSTAINABILITY CONTRIBUTION OF RESEARCH & DEVELOPMENT (R&D)

Our R&D department supports the company's sustainability ambitions by designing products with circularity in mind and prioritizing materials that can be recycled effectively. We also ensure that the selected materials are safe to handle—no special protective measures are required for personnel, and exhaust air is not contaminated. In addition, we focus strongly on durability: our products are engineered for a long service life, and spare parts remain available well beyond legal requirements. Finally, our engineers actively support Procurement during supplier selection, helping to assess and ensure that suppliers comply with our sustainability standards.

5.7 SUPPLY CHAIN OVERVIEW

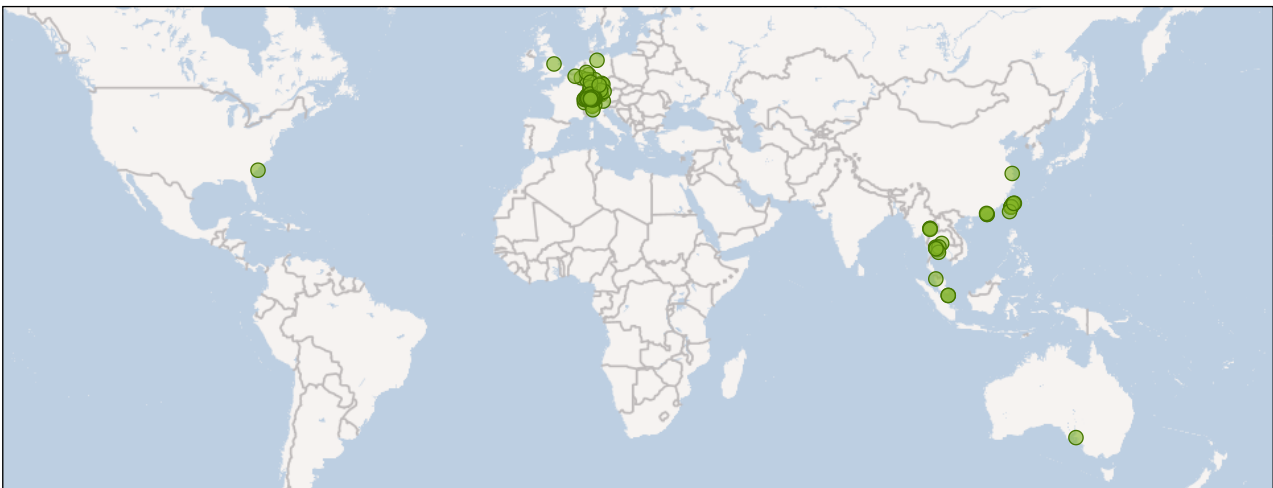
5.7.1 ORGANIZATIONS



5.7.2 SUPPLIER PORTFOLIO

Site	Headcount	Number of Suppliers	Regions
Steckborn, Switzerland	11	305	EU, US
Lamphun, Thailand	8	190	SEA
Taichung, Taiwan	4	42	TW

5.7.3 GLOBAL FOOTPRINT



5.7 ROHS II / REACH

The suppliers of BERNINA are obliged to comply with the international regulations regarding RoHSII and REACH conformity. Conformity is confirmed and signed annually by each supplier.



#A BIG DAY

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