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Statement of the CEO



"Sustainability is key to our future success"

Stephan Haferl
Chief Executive Officer

Comet does business in a responsible and sustainable manner: This is part of our ethics, our strategy and our value proposition for customers, investors, and employees, as we continue our transformation into a high-performing organization. Green power sourcing, resource conservation, solidarity with those in need, support for educational projects, respect for equality and diversity – these have been practiced at Comet for many years. But we want to do more. To fully live up to our responsibility as a corporate member of society, we are tackling these issues in a structured way and on a global scale. On the way to a future that is worth living for the next generations, we want to systematically improve.

In this Sustainability Report 2022, we talk about value creation, innovation, and the progress we have made in the areas of environmental and social matters and corporate and sustainability governance. In addition, we provide insight into our understanding of successful implementation and cultivation of sustainability in the company. In the long term, sustainability can only be successful if all employees are fully committed to it. Integrating sustainability into the business strategy and the corporate culture is key for our future success. This includes using future-proof, measurable sustainability criteria to create value that goes beyond shareholder returns, and systematically improving our environmental, social and governance performance. This is what we are working toward.

Purpose and business model

How we generate value and contribute to a world that is good to live in

As a trailblazing, leading tech company in radio frequency power and x-ray technology, we make a growing contribution to a safer, more efficient and sustainable world of manufacturing, communication and mobility.

Our high-tech products and services create value for countless people. Part of this value comes from our setting goals that go beyond shareholder returns. In everything we do, we aim to balance economic, environmental and social aspects in order to support a sustainable future alongside profitable long-term growth.

As a close and trusted partner to our customers, we expect to:

- Develop innovative and sustainable products that support our customers in realizing their strategies
- Leave the smallest possible environmental footprint along the entire value chain
- Provide career opportunities for employees in all our businesses and at all our sites
- Build relationships with suppliers and business partners based on fairness and transparency
- Take a leading role in sustainable development in our industry

Our ESG program serves as a compass for managing our environmental footprint, taking responsibility for our employees and satisfying the highest standards of compliance and governance. Our focus is on the long term.

Our business model

We strongly believe that in a world of finite resources, innovation improves all our lives.

The resources we draw on



Environmental

- Implement roadmap for efficiency gains and renewable energy use
- Enforce sustainability through supplier selection



Social

- Build customer relationships and co-creation capabilities
- Invest in people, culture and values
- Engage in communities



Governance

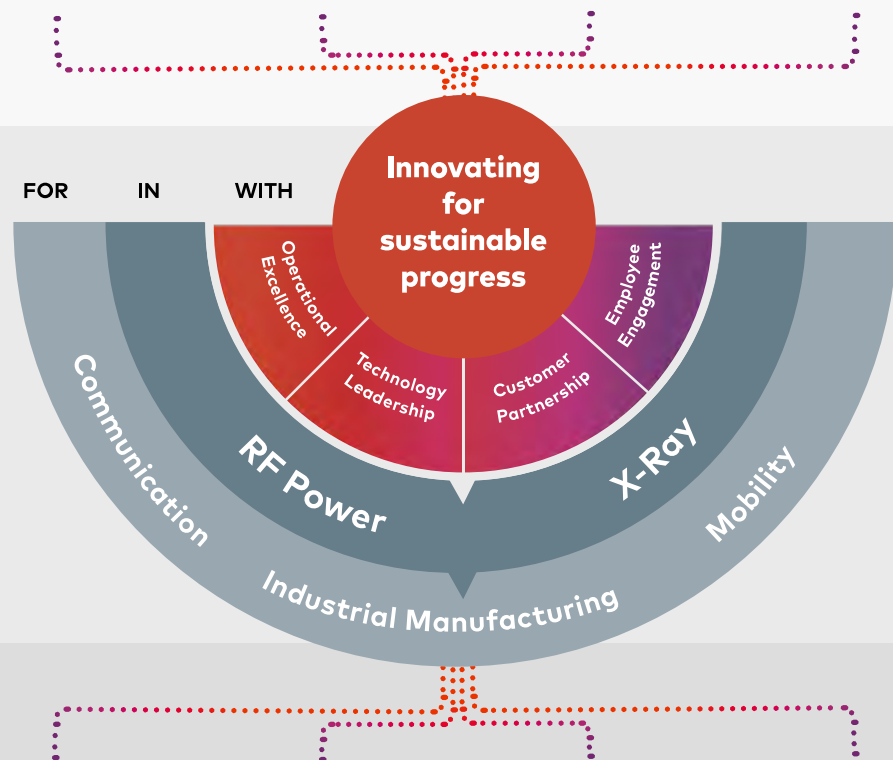
- Monitor and train adherence to Code of Conduct and ethical principles
- Embed regulatory standards in operations



Economic

- Maintain access to capital
- Achieve high brand recognition
- Make targeted investments

How we create value



The outcome we achieve

- Optimized efficiency and reduced greenhouse gas emissions
- Resilient and sustainable supply chain
- Increased customer loyalty and satisfaction
- Engaged, skilled and diversified workforce
- Strengthened license to operate
- High standards of behavior
- Full compliance with regulatory standards
- Sustainable financing of growth strategy
- Higher share of sales from semiconductor market
- Higher returns
- Capability to meet future customer needs

The impact of our actions



We provide stable and fair work for staff at all Comet locations worldwide



Through innovation we contribute to a sustainable infrastructure



We satisfy customer standards through binding supplier standards



We contribute to emission reduction and the efficient use of energy

Along our value chain, we rely on numerous resources to manufacture our products and provide our services. This is always done with the aim of using these resources as efficiently as possible.

Environmental: As a manufacturing company, we depend on a reliable supply of energy and raw materials. Wherever possible, we procure electricity from renewable sources such as hydropower, solar or wind energy. When procuring raw materials, we work with suppliers who can provide us with information about the origin of their products and who are interested in long-term business relationships. In our own production sites around the world, we are always working to keep our processes and facilities up to date in order to continuously improve production efficiency and thus reduce material and energy consumption.

Social: As a corporate citizen, we are aware of our responsibility in a world with ever more people and limited resources. Qualified employees with a high level of commitment are central to our past

and future success. That is why we invest in a corporate culture that is based on customer orientation, on empowering people and on trustful collaboration in all that we do.

Governance: The individual behavior of all of us – how we interact with colleagues, customers, suppliers, and all other stakeholders – determines our success as a company. The values and principles of the Code of Conduct developed in 2020 form the foundation of our corporate culture and the basis for all our actions and decisions.

Economic: We invest a high proportion of our profit in targeted long-term and sustainable growth. Access to sufficient equity and debt capital is ensured thanks to our company's balanced and conservative financial policy. Operating from this position of financial strength, we have consistently delivered value for our stakeholders over the past decades. Our success story is reflected in high awareness of the Comet brand among customers and competitors.

As a pioneering and leading technology company in radio frequency power and x-ray technology, we are making a growing contribution to a safer, more efficient, and more sustainable world in industrial production, communications, and mobility. We are the high-tech company of choice for all those who are actively shaping the future and an employer for all who want to get involved, make a difference, and explore new territory. We are committed to continuously developing our four core competencies of operational excellence, technology leadership, customer relationships and employee engagement. With our forward-looking technologies, we are a preferred partner to the most innovative companies in our markets. We stand for solutions and services that create high added value and sustainable progress. In pursuing our aims, we are guided by our long experience and keen spirit of discovery and innovation.

Led by experience. Driven by curiosity.

Environmental: The thoughtful use of energy and resources, the development of renewable energy sources, and a constant increase in efficiency throughout the entire value chain – with a focus on suppliers and production – together lead to a reduction in the emissions we cause. Systematic data collection will form the basis for developing a climate action roadmap, which is part of our objectives for fiscal year 2022.

Social: Through our continual efforts, we create value for our employees, our customers and our communities worldwide. Our employees benefit from progressive working conditions, a well-managed occupational health and safety program and a culture based on trust. This creates the foundation for superior performance and thus a high level of customer satisfaction and loyalty, in many cases extending over years. Finally and importantly, we fulfill our social responsibility by supporting community projects and privately funded initiatives.

Governance: Strict adherence to and full compliance with laws, policies and regulatory standards at the local, national and international level is an important asset on which our reputation is based. The ethical conduct of all individuals and partner organizations with whom we work also contributes to this. All internal and external stakeholders can rely on us to treat them fairly and ethically at all times.

Economic: Thanks to our strong positioning, solid financial footing, secure access to capital and the successful implementation of our focus strategy, we are growing our business. Anticipating customer needs and investing in advance are key in helping customers succeed with our leading-edge technologies. Backed by the Group's sustainable financing, we will continue to fulfill these activities in the long term and thus add value for all stakeholders.

The Comet Group contributes to the achievement of the Sustainable Development Goals developed by the United Nations as part of the 2030 Agenda. With our long-term and sustainable focus strategy, we aim to provide measurable added value as well as a clearly identifiable contribution to the improvement of the environment, society and the economy. Our focus is on those objectives over which we have the greatest influence in our business:

Decent work and economic growth: Our technologies are at the heart of digitalization. As a company with a long teaching tradition, we support dozens of apprentices, trainees and young professionals and help pave their road to success. By doing this, we actively contribute to economic growth, as these young talents become crucial for developing our innovative products that play a vital role in the digitalization of society.

Industry, innovation and infrastructure: As a critical supplier and partner to the semiconductor/electronics industry as well as to the automotive, aerospace

and security market, we are co-creating with our customers to develop the innovative solutions that provide sustainable progress and improve safety, security and quality of life for people everywhere.

Responsible consumption and production: We reject the ruthless pursuit of profit at the expense of the environment and society. We strive for a balance between economic, environmental, and social goals by training and sensitizing our employees worldwide to environmental and social aspects, and also involving customers, suppliers and other interest groups.

Climate action: We are committed to actively addressing climate change and contributing to the climate goals of the 2030 Agenda for Sustainable Development. To this end, we plan to develop and implement a climate action roadmap for Comet.

Material topics

Comet made significant progress in its sustainability strategy in 2022. Accordingly, this report on our non-financial performance has been expanded compared to the Sustainability Report first presented in 2021. The report, prepared in accordance with the GRI standards, provides information on our non-financial performance in the reporting year. The content of the GRI report is based on an assessment of those issues in our value chain that have the greatest impact on the environment, society, and the economy in the medium and long term. The materiality analysis is reviewed and approved by the Executive Committee and the Board of Directors every year. The next major analysis is planned for 2024.



The material topics shown above were developed in three steps during 2021. First, from among many topics, a shortlist of possible material issues was drawn up with the support of outside experts. This selection was made based on the Comet Group’s corporate profile. In the second step, a materiality analysis in accordance with GRI standards was carried out in an expanded project group. As part of this analysis, the topics were assessed in terms of their relevance to stakeholders, their impact on sustainable development and – as a third dimension – their relevance for value generation.

This three-dimensional approach ensures that the results support not only corporate reporting but also strategy development. In the final step, the draft materiality matrix was discussed, adapted, and approved by the Executive Committee and the Board of Directors.

To take into consideration the perspective of the various stakeholders on a proxy basis, employees from all levels of the organization, from all divisions and from a variety of other functions were included in the process.

As a result of this process, the 15 topics shown above were identified as material. More information on the individual topics is provided in the relevant sections in the Report in Accordance with GRI Standards.

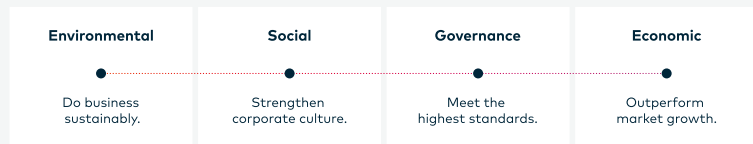
To improve performance on our material topics, we closely partner with Comet's stakeholders. Our key stakeholders are our employees, customers, suppliers, and shareholders. Some of these stakeholders have a direct impact on the improvement of material issues, while others are in turn impacted by our actions. We are therefore in regular communication with those stakeholders, in some cases daily. Typical interactions include quarterly "all hands" conference calls between the CEO and CFO and the employees, interactions on the Yammer social networking platform, regular meetings and calls with customers and suppliers, investor conferences, capital markets days with financial analysts and shareholders, and the annual shareholder meeting. In 2022, interactions with stakeholders resulted in management actions such as increasing inventories to maintain the ability to supply to customers, developing a flexible approach to working from home, increasing our production capacity in Malaysia, and launching a project for the installation of a photovoltaic system at the site in Switzerland.

Strategy: the Comet way

For 75 years, we have been developing and producing innovative high-tech components and systems based on x-ray and radio frequency technology. Consistent alignment with global trends and developments was and is the basis of our success.

For Comet, sustainability is one of the central pillars of the high-performance organization we strive for, alongside technology leadership. That's why our company has a tradition of engaging in causes and activities such as supporting the socially disadvantaged, pushing education for young people, promoting diversity, and generally reducing energy consumption and using sustainable energy sources. To further intensify these efforts, and to coordinate them even better within the company, we want to work on these fronts in a structured way at a global level. As a company that is aware of its social responsibility and is willing to shoulder it, we set long-term goals that we implement in small steps in the short term to become better every day.

Value creation beyond shareholder returns



Therefore, in 2021, we launched our formal Group-wide sustainability initiative to consolidate our diverse activities in the divisions, to record where we stand, and to report on what we are doing. Now, in this second Sustainability Report, we provide insight into the progress we made in 2022. But that's not all. Ultimately, our aim is to use measurable sustainability criteria to create value beyond shareholder returns and to systematically improve our environmental, social, governance, and economic performance. This is what we are working toward. Our approach is to think big and look far ahead, but to progress gradually by completing one step of our journey at a time.

Sustainability has many facets, from climate protection to compliance with obligations and rules, to treating people well. To meet these extensive requirements, Comet has identified the following steps since setting up the sustainability program:

Improving our sustainability performance step by step

- Evaluation and definition of material topics
- Analysis of the status of the material topics
- Development of an overarching sustainability strategy with a focus on climate protection
- Creation of appropriate sustainability governance structures
- Annual definition of focus areas and step-by-step implementation

We maintain a systematic yet pragmatic approach to sustainability. Alignment of the business strategy and the sustainability strategy with one another is one aspect. Sustainability is a priority for the Board of Directors and the Executive Committee. Equally important for success is the integration of sustainability consciousness into the corporate culture so as to include and involve every employee. Sustainability goals can only be achieved if people in the company embrace them as being consistent with Comet's core values and beliefs. To achieve this, we need to raise awareness in all employees that sustainability is pursued not just for the company's sake, but as a guarantor of a future worth living for all of us. Accordingly, wherever possible, we encourage our employees – and provide opportunities – to engage in generating ideas and implementing them in a bottom-up approach. We are not driven by regulations and rankings as much as by the firm conviction that Comet's long-term success is closely linked to sustainable business practices.

Governance and organization

Sustainability must be part of strategic management and corporate planning. This is because the company can take a holistic view only when sustainability is integrated in the ways the company is managed. Through forward-looking governance practices, Comet can positively influence environmental, social, and economic development. Accordingly, we strive to incorporate sustainability into each of our many business processes. To do so, the measurement and management of sustainability performance must be integrated into corporate strategy and governance. Thus, taking sustainability into account in the entire process of corporate management is a prerequisite for effective sustainability management.



Following approval by the Board of Directors in 2022, Comet established a dedicated organizational structure to develop, manage, monitor, and implement the sustainability strategy at Group level. Before the establishment of this organization, the individual sustainability topics were handled by the Group functions and the divisions.

The Board of Directors oversees and approves the sustainability strategy. The Board is also responsible for the review and approval of the annual sustainability reporting as part of the reporting process. It is informed quarterly about the status of strategy implementation and thus monitors the achievement of sustainability targets. The Board of Directors' committees deal with the topics that fall within their area of responsibility, such as eco-design for the Technology Committee or non-financial elements of executive compensation for the Nomination & Compensation Committee (NCC). The Board of Directors has delegated the implementation of the sustainability strategy to the Executive Committee.

The Executive Committee is responsible for implementing the sustainability strategy and for preparing the annual sustainability reporting. The Chief Executive Officer (CEO) acts as sponsor of the sustainability program and is therefore accountable for sustainability at Comet. In executing the strategy, the Executive Committee is supported by a Sustainability Board. The chair of the Sustainability Board updates the Executive Committee in regular quarterly meetings on the progress in the strategy's implementation.

The Sustainability Board also meets quarterly to discuss ongoing sustainability initiatives, launch new initiatives, and prepare sustainability goals for approval by the Executive Committee. As members of this board, high-level representatives of the company meet to drive and execute the sustainability strategy or develop actions and measures that address key issues. The Sustainability Board ensures the cohesion of the Group's sustainability efforts.

The detailed elaboration and operational implementation of the sustainability initiatives is carried out in various working groups that map the main issues. These are made up of representatives of the business areas and corporate functions who are responsible for the topic in their area of activity.

Climate roadmap

With the Paris Agreement, 196 countries agreed to limit the global temperature increase to 1.5 degrees as far as possible. We are committed to protecting our environment for future generations and thus doing our part to achieve this goal. We have therefore launched numerous initiatives to systematically tackle the process of reducing greenhouse gas emissions.

Our journey to net zero in the long term

Although Comet is not an energy-intensive company, we have embarked on a journey to make our contribution to a livable future on our planet Earth. For this purpose, we have developed a climate roadmap, which essentially comprises the following four steps:



1. General analysis and greenhouse gas (GHG) accounting

- Identification of key emission sources along the value chain
- Scope 1 and 2 emission inventory and Scope 3 emission assessment (relevance check, screening, and inventory)

2. Verification of GHG emission reduction scenarios

- Simulation of near- and long-term science-based reduction pathways for Scope 1, 2, and 3 emissions while integrating our business growth forecast
- Site- and division-specific implementation scenarios: planning of measures and related costs, and feasibility check

3. Target-setting and implementation

- Target-setting for Scope 1, 2, and 3 emissions (Group, divisions, sites)
- Development and execution of the action plan, incl. eco-design approaches (at product level), renewable energy purchasing (at production sites) and energy efficiency measures

4. Science-Based Targets initiative (SBTi) commitment

- Formal commitment to the SBTi
- Validation of targets by the SBTi
- Periodic reporting on progress through our annual report and our disclosure in accordance with CDP and the Taskforce for Climate-related Financial Disclosures (TCFD)

In line with our step-by-step approach, we have developed the climate roadmap in a top-down fashion and also already implemented many initiatives bottom-up, as shown by the reporting on our Scope 1 and 2 CO₂ emissions, by the first targets for Scope 2 emissions, and by various measures taken to reduce our carbon footprint. We are aware of the urgency of the issue of climate protection. But we must also recognize that the medium-term Science Based Targets (SBTi) to which we plan to commit, and getting to net zero in the long term, will only be achieved by continuously solving multiple challenges over time and by closely collaborating with our clients, partners, and suppliers.

Focus on analysis and the first implementation measures

To tackle the climate challenge and reduce our carbon emission footprint, the following actions will be the main drivers in our action plan:

Six main drivers to reduce our carbon footprint

- Switch facilities to the use of electricity from renewable resources
- Identify and execute energy efficiency measures in our operations and value chain
- Incorporate eco-design thinking in product development
- Set measurable targets, monitor achievements, and report on our progress
- Develop processes and frameworks to enhance data quality and accurately measure progress
- Encourage suppliers to participate in this effort and drive sustainability in their operations

In our own operations, we have implemented many major initiatives in the last several years. As an example, we have installed a photovoltaic system in Hamburg, Germany. Also, we operate our plants in Flamatt, Switzerland, Hamburg, Germany, and Taastrup, Denmark, with 100% renewable electricity. Following our approach of taking small steps that are implemented immediately, we have realized many smaller initiatives that contribute to reducing our emissions. ([Link](#))

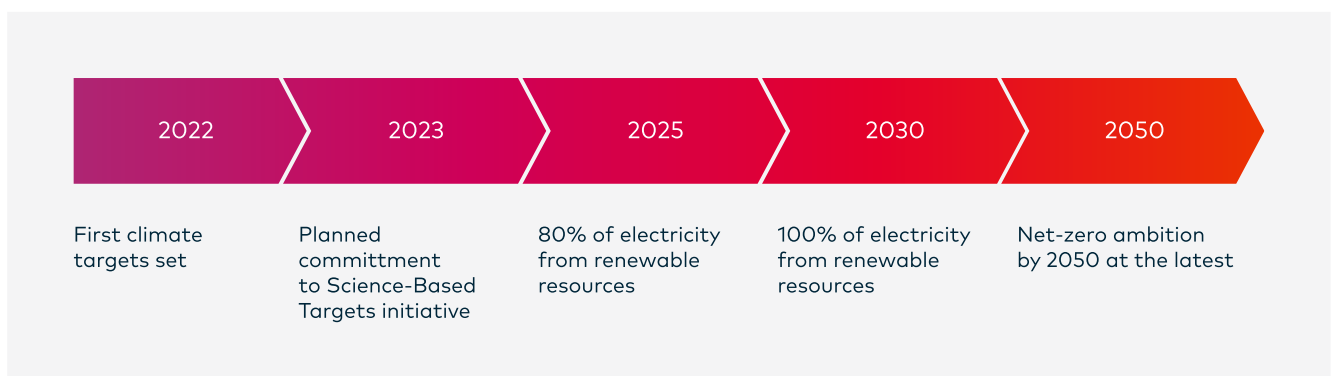
In terms of Scope 3 emissions, we took the first steps in 2022, by identifying the categories with the highest impact on Comet's greenhouse gas emissions. This process led to the conclusion that five of the 15 Scope 3 emission categories are responsible for the majority of the GHG emissions:

- Category 1 – Purchased goods and services
- Category 2 – Capital goods
- Category 4 – Upstream transportation and distribution
- Category 9 – Downstream transportation and distribution
- Category 11 – Use of sold products

Based on this analysis, we performed an initial Scope 3 screening with a focus on the categories 1 and 2, for which we estimated the approximate carbon emissions using a spend-based economic input-output method. Not surprisingly, this screening revealed that Scope 3 emissions exceed the sum of Scope 1 and 2 emissions by a factor of six to seven. Further work to refine calculation of Scope 3 carbon emissions is planned for 2023 to achieve better transparency and data robustness. On that improved basis, we plan to develop Scope 3 emission-related initiatives.

Targets and priorities for 2023

On our journey to achieving net zero in the long term, we set our first climate-related targets in 2022. Over time, based on our array of action steps, we will develop further targets that will help us monitor the effectiveness of our efforts and measures to reach net-zero by 2050 at the latest.



For 2023 we have defined four priorities to progress in our CO₂ emission reduction efforts and improve our processes to further enhance transparency in terms of the quality of our sustainability reporting:

1. Take the next steps in our climate roadmap

- Develop targets under the Science Based Targets initiative (SBTi) targets
- Roll out an eco-design initiative: action plan, training, life-cycle assessments, and product development
- Refine Scope 1 and 2 data and perform Scope 3 inventory

2. Establish a vigorous and effective ESG organization

3. Improve data collection processes, data quality and data validation

4. Initiate the first steps toward compliance with the TCFD framework: governance, strategy, risk management as well as metrics and targets.

Following this plan, we will incrementally improve our GHG footprint and contribute to the world's pursuit of the ambitious targets set in the Paris Agreement in 2015.

Achievements in 2022

In 2022, a large number of sustainability initiatives were implemented throughout the Group. Many of our employees have contributed to making Comet more sustainable. Whether through ideas, the implementation of their own initiatives, or in projects to which they have contributed their enthusiasm for the topic, their skills and their knowledge. For this, Comet's management would like to express its gratitude to our colleagues. We want to encourage everyone to continue to play an active role in shaping our future.

Environmental

To protect the environment and the interests of society, the Comet Group must focus on sustainability in all its activities and implement and comply with appropriate environmental standards.

The thoughtful use of energy and resources, the development of renewable energy sources, and a constant increase in efficiency throughout the entire value chain – with a focus on suppliers and production – together lead to a reduction in our emissions. Systematic data collection will form the basis for refining and detailing the climate action roadmap, which is part of our objectives for fiscal year 2023.

As a manufacturing company, we depend on a reliable supply of energy and raw materials. Wherever possible, we procure electricity from renewable sources such as hydropower, solar or wind energy. When purchasing raw materials, we work with suppliers who can provide us with information about the origin of their products and who are interested in long-term business relationships. At our own production sites around the world, we are always working to keep our processes and facilities up to date in order to continuously improve production efficiency and thus reduce material and energy consumption.

Environmental

Achievements in 2022



Renewable energy, energy efficiency and lower carbon emissions

- The optimization of the heat pump in Flamatt, Switzerland, reduced heating oil consumption by 10,000 liters; various measures to replace or optimize outdoor and indoor lighting lowered electricity consumption by more than 4,000 kWh.
- As the largest consumer of electricity within Comet Technologies USA, the San Jose site has switched to 100% renewable electricity. Work is being done to convert other locations to using only renewable power.
- Various energy-saving measures at Comet in China resulted in power savings of 10%, e.g., by training employees to save electricity, switching off the air conditioning system and installing high-speed roll-up doors in the warehouse.
- Energy conservation initiatives in Denmark led to an overall reduction of 6% in electricity consumption at the site.
- Bike-to-work initiative: 11 teams with a total of 41 participants biked 19,534 km in June/July 2022, saving 2,813 kg of CO₂ emissions in Switzerland.

Material efficiency and waste reduction

Multiple actions were taken to reduce environmental impacts immediately:

- Monitoring of substances on 270 safety data sheets for Substances of Very High Concern (SVHC) resulted in the elimination or substitution of 10 of the 13 substances identified at IXM.
- Nearly 3 metric tons of solid waste were treated by a contracted local certified provider in Shanghai, China.
- Comet Technologies USA has enhanced its waste program to reduce, recycle, and reuse. In addition, the recycling program has expanded to include paper, e-waste, chemicals, and metal, with dedicated collection areas within the new building.
- Recycling of cardboard boxes and scrap screws led to a tripling of recycled materials in Malaysia.
- In Denmark, waste separation for all employees was introduced in their offices.

Carbon reduction measures in San Jose



541 E Trimble Road, San Jose

Another initiative at Comet Technologies USA in San Jose is that of carbon reduction measures integrated into the design of the new building, where the currently four Comet sites in the city will be consolidated under one roof. This includes:

1. The design of a heating, ventilation, and air conditioning (HVAC) system with multiple zones allowing for the large refrigeration unit to be turned off when cooling consumption levels are low. Electricity savings are estimated at approximately 4,000 MWh over the term of the ten-year lease.
2. A cardboard/paper compactor that will minimize the bulk and maximize the density of waste cardboard, leading to fewer trips by disposal trucks. After pickup, the waste cardboard will be recycled.
3. The lighting package was selected for its low energy consumption.

It is also planned to promote the use of electric vehicles through the provision of EV charging stations at the new building, which utilize renewable energy, and to install gas scrubbers to capture more than 99.99% of GHG and other contaminants released in R&D operations.

Environmental achievements in 2022 (continued)

Raising awareness



Colleagues in Japan working on SDGs

- A three-hour Climate Fresk Workshop was conducted for some employees in Switzerland, deepening the knowledge about the roots and consequences of climate change.
- In Malaysia, employees were trained in the conservation of natural resources and the prevention of pollution.
- Comet Technologies Japan conducted training for employees on the Sustainable Development Goals (SDG) by a certified instructor to deepen the understanding of their importance.

Ratings

- Comet received a C rating for the first-time submission of its CDP Climate Change disclosure, on par with the Electrical & Electronic Equipment industry average of C.
- Comet ranks in the top one-third of the MSCI ACWI Index constituents in the Electronic Equipment, Instruments & Components industry, after being upgraded by MSCI from BB to A.

Various activities

- Comet has applied to become part of an initiative in Switzerland related to setting up a national reserve power plant network consisting of emergency power generators. [\(Link\)](#)
- An initiative launched by employees in Switzerland collected 75 ideas on how to tackle climate change at the company. Some of these ideas are already being implemented.



Social

Our employees are connected by a passion for technology, a strong corporate culture, and a commitment to our shared values. This is the basis for our success.

As a corporate citizen, we are aware of our responsibility in a world with ever more people and limited resources. Qualified employees with a high level of commitment are central to our past and future success. That is why we invest in a corporate culture that is based on customer orientation, on empowering people and on trustful collaboration in all that we do.

Through our continual efforts, we create value for our employees, our customers, and our communities worldwide. Our employees benefit from progressive working conditions, a well-managed occupational health and safety program and a culture based on trust. This creates the foundation for superior performance and thus a high level of customer satisfaction and loyalty, in many cases extending over years. Finally, and importantly, we honor our social responsibility by supporting community projects and privately funded initiatives.

Active DEI Board at Comet Technologies USA

The Diversity, Equity & Inclusion Board of Comet Technologies USA was again highly active in 2022. As a frontrunner in the Group, the DEI Board launched several initiatives with the goal of driving public awareness of Comet as a diverse, equitable, and inclusive employer recognized by top talent, as a go-to place for exciting career opportunities and growth potential:

- The DEI initiative theme for 2022 was the assimilation and retention of top talent. The DEI Board developed, trained, and helped implement the launch of the Buddy Program, which is designed to educate newly hired employees on the company and culture.
- We continued the contract with Progressive Women Leadership, a third-party company focusing on empowering our female colleagues.
- We initiated an HR-themed lunch-and-learn series to aid our employees in taking control and becoming directors of their own growth within the organization.

Social

Achievements in 2022



Plogging event in Malaysia

Community engagement

- Comet gave CHF 100,000 to UNICEF in emergency aid for families in need in Ukraine.
- The 2022 year-end campaign Connected Hearts generated CHF 8,912 for UNICEF Giga, the initiative to connect every school to the Internet and every young person to information, opportunity, and choice.
- Schools on Wheels for children in Bihar, India, was supported by participating in the 2020/2021 UNICEF year-end campaigns ([Link](#))
- Comet in Malaysia was also very active. A considerable number of employees donated blood to Penang's blood bank, and the site held a plogging event (a combination of jogging and picking up litter) with the participation of 21 employees, including six visiting colleagues from the USA.
- Comet Yxlon employees auctioned off old company PCs, collecting EUR 3,000 for digitalization projects at the Erich-Kästner-School in Hamburg.
- In Japan, Comet donated sanitary products to women in need in Yokohama City, teaming up with the Yokohama Gender Equality Promotion Association and Yokohama City Council of Social Welfare.
- Comet Technologies USA held its first multi-divisional fundraiser, collecting nearly USD 3,000 to feed needy people in Northern California served by the charity Second Harvest.

Comet leader invited to speak about diversity and inclusion

At SEMICON Europa, Marco Fasel, Team Leader, Industrialization, at Comet, together with three other panelists spoke about leveraging generational differences in the shifting workplace. The highlights of his experience are summarized at <https://comet.tech/en/news/intergenerational-teamwork>

Achievements in 2022

comet
yxlon



Employer attractiveness

- Our employer brand was sharpened by rebranding Yxlon to Comet Yxlon.
- In the USA the relationship with University of Illinois Urbana-Champaign was continued, sponsoring, among other activities, a masters degree program for a physics major.
- Comet Technologies USA participated in the SEMICON West trade show, sponsoring a workforce development initiative, which identified 34 candidates for internships and/or full-time positions.
- An Up & Beyond Award has been launched to encourage employees' special recognition for their commitment in terms of "a great place to work", corporate culture and teamwork. The recipients are proposed by Comet employees based on an exceptional contribution to a specific project or task. A total of 175 employees were awarded in 2022.
- E-based awareness trainings were launched, starting with the topic "Internet Security and You".
- The Group expanded its on-demand learning offering in collaboration with getAbstract.
- In China, PCT hosted a Management Style and Leadership Art workshop with 12 leaders from PCT and Central Services.
- Comet welcomed 17 children to its Future Day at the Flamatt site in Switzerland.

Comet encourages remote work

As a modern and forward-looking company, Comet launched a first test case at its headquarters in Switzerland to promote remote working for those who are eligible. A mix of time in the office and working from home allows our employees to use their working hours as efficiently and effectively as possible, to be successful in their work, and at the same time to maintain a good work-life balance.

Social achievements in 2022 (continued)



Front desk area in the new building in San Jose

Health and safety

- In June, Comet reached a milestone in Flamatt: a total of 1,000 safety-related measures implemented over 15 years to prevent occupational accidents and health-related absences.
- In Malaysia, a road safety awareness program was conducted in collaboration with the relevant government agency to increase motorcycle riders' safety awareness while commuting to work.
- A North America-wide EHS assessment of all locations was performed in the USA. The conclusions of the assessment resulted in the following improvements:
 - Lockout/tagout (LOTO) procedures were updated and improved
 - Inventories of compressed gas and chemicals were updated, resulting in the identification of obsolete chemicals
 - An improved injury and illness prevention program was developed
 - The safety committee was re-established post-COVID
- Industrial hygiene surveys were conducted at all locations in the USA, including monitoring of noise levels, air quality, and surface contamination analysis.
- Employee health and safety has been a leading focus in the design of Comet's new building in Silicon Valley. Important additional features are incorporated to further protect employees:
 - Security alarm system installed throughout the building
 - Badge access at all entry points, linked to the alarm system and building management system
 - Security cameras inside and outside the building with enhanced logic that monitors vehicle traffic, timestamps badge access points and logs security events
 - Security guards are employed to patrol the buildings on evenings, nights, and weekends.

Governance

In everything we do, we are committed to ethical and legally compliant behavior. Every single point of our [Code of Conduct](#) is non-negotiable.

The individual behavior of all of us – how we interact with colleagues, customers, suppliers, and all other stakeholders – determines our success as a company. The values and principles of the [Code of Conduct](#) developed in 2020 form the foundation of our corporate culture and the basis for all our actions and decisions.

Strict and full compliance with laws, policies and regulatory standards at the local, national, and international level is not just the right thing to do, but an important asset on which our reputation is based. The ethical conduct of all individuals and partner organizations with whom we work also contributes to this. All internal and external stakeholders can rely on us to treat them fairly and ethically at all times.



Integrity hotline: Practicing and adhering to proper business ethics is an integral part of our relationships with each other, our customers, our suppliers, our investors and even our competitors. Ethical behavior is a crucial foundation for trustful collaboration and for our company's success. We commit all Comet employees to abide by our [Code of Conduct](#), including ourselves. To ensure that every employee understands what our [Code of Conduct](#) contains, we introduced mandatory compliance training some time ago, which each Comet employee must complete periodically.

For misconduct to come to light and action to be taken, Comet relies on employees to speak up. In the event that laws, regulations or policies are being violated at work, the first step for the reporting employee ideally is a confidential conversation with the line manager or our Global Head of Human Resources or Global Head of Compliance. However, there are situations where this is difficult. For such cases, Comet introduced an integrity hotline. The Integrity Line allows employees worldwide to report misconduct while remaining anonymous. To ensure anonymity, the reporting goes through an external partner that provides such systems for many companies.

Governance

Achievements in 2022

- Comet Holding AG implemented updated capital market-related policies, introduced a data protection model for the Group, and issued an Intellectual Property Handbook.
 - In the USA, Comet further updated its software and programs to ensure business is not being conducted with sanctioned countries or with companies or people that are on the Denied Parties List.
-

Conflict minerals statement

On January 1, 2022, the Swiss government enacted the provisions under corporation law on reporting obligations of companies on non-financial matters (section 964a et seq. Code of Obligations) as well as due diligence and reporting obligations regarding conflict minerals and child labor (section 964j et seq. CO). Reporting under these provisions will be required for the first time for fiscal year 2023. Besides the Swiss laws, legislation such as the US Dodd-Frank Wall Street Reform and Consumer Protection Act and the EU Conflict Minerals Regulation mandate that companies demonstrate the responsible sourcing of their minerals.

As Comet is not listed on a US stock exchange, it is not required to report under the Dodd-Frank Act (Sec. 1502). However, to provide full transparency on our conflict minerals exposure, and in accordance with our explicit commitment to comply with all laws and regulations, we place great emphasis on keeping our supply chain free of minerals that fall under all laws and regulations regarding sourcing from conflict zones. A description of our due diligence efforts regarding conflict minerals is provided in the Report in Accordance with GRI Standards.

Based on all currently available information, Comet does not source conflict minerals that originate in the Democratic Republic of the Congo (DRC) or its adjoining countries.

Human rights statement

In general, we do not operate in business sectors or regions that pose significant risks in terms of human rights, including risks related to child labor or to the respect for the fundamental human rights of employees. Concerning child labor, our suppliers certify that they do not hire workers who are less than 15 years of age (in accordance with ILO Convention 138) and that they comply with the domestic standards for the protection of children. Regarding forced or compulsory labor, our suppliers certify that they respect the fundamental human rights of workers, such as, among other aspects, by refusing to hire or allow someone to work against their will.

Economic

To successfully place our products and services on the market and compete effectively, it is necessary to implement efficient procedures and maintain high quality standards.

We invest a high proportion of our profits in systematic long-term, sustainable growth. Access to sufficient equity and debt capital is ensured by our company's balanced and conservative financial policy. Operating from this position of financial strength, we have consistently delivered value for our stakeholders over the past decades. Our success story is reflected in high awareness of the Comet brand among customers and competitors.

Thanks to our strong positioning, solid financial footing, secure access to capital and the successful implementation of our focus strategy, we are growing our business. Anticipating customer needs and investing in advance are key in helping customers succeed with our leading-edge technologies. Backed by the Group's dependable financing, we will continue these activities in the long term and thus add value for all stakeholders.

In 2022, Comet introduced several new products to the market.

Product innovation in 2022



**Link to product
stories**

Comet wins Innovation Award



Award Ceremony on November 9

Comet wins the Innovation Award 2022/2023 of the Canton of Fribourg with its innovative MesoFocus technology

With its newly developed MesoFocus x-ray technology, Comet takes first place in the prestigious Fribourg Innovation Award, winning in the Established Companies category.

The world is more mobile and connected than ever before – thanks in part to increasingly powerful and durable batteries. To ensure that batteries are safe, they need to be tested. That's where Comet's MesoFocus comes in. Through the development of the MesoFocus x-ray tube, Comet enables battery manufacturers to visualize even the finest details in batteries when inspecting them on production lines, and to detect potential defects early on. Better yet, this inspection can now be performed with unprecedented accuracy, speed and practicality.

Operational excellence

Optimized delivery of copper strips to the shop floor in Flamatt

By optimizing the copper strip product carriers, the Comet supply chain team in Flamatt was able to improve the throughput time from goods receipt to the end user in production from four hours to only 45 minutes. Unnecessary handling has been eliminated, thus reducing the physical strain on employees. This measure cut out the repackaging process step for 33 metric tons of copper annually. In addition, the use of wood was completely eliminated from the process.

Report in Accordance with GRI Standards

In this Report in Accordance with GRI Standards, the management approaches and selected GRI disclosures relating to the material topics as presented in the Sustainability Report are explained in more detail.

Environmental

Materials Compliance

Materials compliance is compliance with any laws, regulations and specifications that restrict or even prohibit the use of various substances and/or materials in products, including, for instance, environment-related legislation, international law, religiously motivated specifications, and specifications by companies. For Comet as a manufacturer of industrial products, an indispensable requirement for doing business worldwide is compliance with regulations relevant to the environment and to market access – such as Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), Restriction of Hazardous Substances (RoHS), and the Toxic Substances Control Act (TSCA) – as well as with legislation driven by international law and ethics, including conflict minerals legislation, the Dodd-Frank Act and Regulation (EU) 2017/821. In 2022, for example, in connection with REACH and its Substances of Very High Concern (SVHC), we classified all our safety data sheets in SAP. This resulted in the elimination or replacement of ten of the identified 13 substances on the SVHC list from our products.

We are committed to providing our customers with the highest-quality supply chain that meets all established product performance standards and expectations. Our purchasing department maintains these high standards by continuously evaluating the performance of our established suppliers.

Comet's [Supplier Code of Conduct](#) (Supplier CoC) is based on the Code of Conduct of the Responsible Business Alliance (RBA) and sets out the basic requirements for our suppliers and external service providers regarding their responsibility toward their stakeholders and the environment. We reserve the right to amend the requirements of our [Supplier CoC](#) to reflect changes in our compliance policies.

In addition to supplier self-declaration in the form of the signed [Supplier CoC](#), we work with third-party supply chain specialist Assent Compliance Inc. The Assent platform collects the data required to comply with REACH, RoHS, conflict minerals rules and the TSCA. This solution provides assurance that our suppliers are compliant with all relevant laws and regulations. Suppliers who do not submit data to Assent are contacted directly by us and requested to provide the necessary documentation. When appropriate, we work together with our suppliers to identify actions to achieve improvement. However, we reserve the right to terminate the business relationship with the supplier (subject to applicable laws) if the supplier fails to comply with the code, and we reserve the right to take legal action against the supplier.

As part of its due diligence measures in the reporting year, Comet identified minor deviations from best practices with regard to conflict minerals regulations at a small number of suppliers. This was brought to the attention of the suppliers and the situation continues to be closely monitored.

The responsibilities for the processes are mapped in the Comet Group management system. Essentially, the specifications for materials compliance are made at the Group level by the Vice President of Global Operational Excellence (VP GOE), who reports directly to the CEO. The VP GOE defines the compliance regulations together with the Group legal experts. The responsibility for implementation in the regions rests with the divisions, and accountability for it lies with the respective country general managers. Materials compliance activities are coordinated worldwide within the Quality & Excellence Board.

Environmental Management System and Compliance

The principle of sustainability is an integral part of Comet's corporate culture. We strive to offer our customers high-quality products and services while avoiding environmental risks and producing in ways that conserve resources. The principles of this approach are set out in the Comet Group's Quality, Environmental and Safety Policy, with supplementary information in the [Code of Conduct](#).

While all our production and research and development sites are certified to ISO 9001:2015, only Comet Yxlon (the IXS division) in Hamburg has designed and implemented an environmental management system in accordance with ISO 14001:2015. Smaller entities that perform only sales and marketing activities are not certified. To ensure compliance with environmental regulations, however, internal audits, customer and certification audits, benchmarking and best-practice applications are conducted at regular intervals at all production sites.

Comet plans to achieve one single Group-wide ISO 9001 certification by the end of 2023. The Group-wide certification of ISO 14001 will then be added during 2024. As most of Comet's major sites will be due for recertification in 2023, that year will represent a natural opportunity to unify the quality management systems and achieve single certification.

The Vice President of Global Operational Excellence (VP GOE) is responsible for the performance of the Comet quality management system, including the process framework and architecture. The VP GOE drives the definition, implementation, and improvement of Group-wide processes in close cooperation with the divisions. Among other responsibilities, the VP GOE sets minimum standards for non-financial KPIs

and ensures certification and compliance with ISO standards. In this function, support comes from various boards and councils, such as the Operations Council and the Quality & Excellence Board, which includes the Q&E heads of the divisions. Accountability for environmental compliance rests with the respective country general manager, while responsibility for it lies with the division country manager. In the year under review, the Comet Group did not face any ongoing or completed legal proceedings for non-compliance with environmental laws or regulations. Likewise, no fines for environmental infractions were imposed on the company.

Energy Management and Carbon Emissions

All steps of the Comet value chain involve energy consumption and associated greenhouse gas emissions. Electricity consumption dominates in the production and use phases of the products. Energy consumption and emissions in the upstream chain are also significant, especially in the production and transport of raw materials and semi-finished products.

In the reporting year 2022, Comet refined its environmental data collection process. This allows us to report consolidated Group-wide environmental KPIs for our production (Scope 1 and 2) for the year under review.

Comet has developed a climate roadmap to meet short-, medium- and long-term CO₂ emission reduction targets and to progress toward the net-zero emission ambition by 2050. Measures to reduce emissions in line with these targets were implemented. Further steps were taken to increase the energy efficiency of our Group-wide production and to enhance the share of green electricity in our energy mix. In a dedicated working group, we will start in 2023 to identify a set of measures to further refine the Group's approach to energy management and emission reduction.

In 2022, Comet's Board of Directors approved the formation of a sustainability organization. This is set out in the [Sustainability Policy](#) approved at the end of December and is described in detail in the Sustainability Report in the section "Governance and organization".

| Environmental metrics ¹ | | 2022 |
|---|-------------------------|---------------|
| Energy consumption total | MWh | 20,163 |
| Electricity total | MWh | 15,571 |
| Of which renewable | MWh | 11,011 |
| Heating total | MWh | 3,587 |
| Heating oil | MWh | 147 |
| Natural gas | MWh | 3,023 |
| District heating | MWh | 418 |
| Fuels total | MWh | 1,001 |
| Diesel | MWh | 746 |
| Petrol | MWh | 253 |
| LPG | MWh | 2 |
| Greenhouse gas emissions total² | tCO₂e | 4,166 |
| Greenhouse gas emissions total | | |
| Scope 1 total | tCO₂e | 918 |
| Heating | tCO ₂ e | 652 |
| Fuels | tCO ₂ e | 266 |
| Scope 2 total | tCO₂e | 3,248 |
| Electricity ³ | tCO ₂ e | 3,177 |
| District heating | tCO ₂ e | 71 |
| Resource efficiency metrics | | 2022 |
| Waste total⁴ | t | 2,682 |
| Water consumption⁵ | m³ | 32,874 |

¹ Scope covers all of Comet's companies and locations.

² Calculations in accordance with the WRI/WBCSD Greenhouse Gas Protocol guidelines. Scope 1: GHG emissions from own sources, e.g., fuels. Scope 2: GHG emissions stemming from the production of electricity and district heating. Sources for emission factors: Defra & IEA.

³ With the exception of Flamatt and Hamburg, greenhouse gas emissions associated with the production of electricity were accounted for in accordance with the "location-based approach" under the Greenhouse Gas Protocol Scope 2 standard. No emissions stem from electricity consumption in Flamatt and Hamburg, as the sites run entirely on renewable electricity. Considering only the location-based approach, electricity consumption across all sites would be responsible for 4,354 tCO₂e emissions in 2022.

⁴ Does not include Comet Electronics Co. Ltd., Comet Solutions Taiwan Ltd., Object Research Systems (ORS) Inc., and Yxlon X-Ray Equipment Trading Co. Ltd.

⁵ Does not include Object Research Systems (ORS) Inc.

Social

Employer Attractiveness

People are our most important asset. In view of the shortage of skilled personnel in industry, particularly of research and development experts and engineers, we are expanding activities that support our visibility and attractiveness as an employer. Networking, attracting and retaining talented young people early on, during their studies, is therefore high on the agenda, along with identifying and developing diverse talents within the company and ensuring an attractive, flexible and inclusive work environment. We thus continued the relationship with the University of Illinois Urbana-Champaign initiated in 2021 to support students, invested in a workshop facility for training apprentices at the Swiss site in Flamatt and supported a research project at the Swiss Federal Institute of Technology (ETH) in Zurich. In addition, our US entity sponsored a workforce development initiative that resulted in identifying 34 candidates for internships and/or full-time positions. Since 2021, Comet also has a new program for the continuous and systematic identification and development of in-house talents. In Switzerland in summer 2021, Comet received the Fair-ON-Pay+ certificate for gender pay equity. The certificate is valid for four years. A brief maintenance test is carried out in year three to check whether the standard criteria are still met.

In terms of recognizing our employees' engagement, we successfully rolled out our global Up & Beyond Award in 2022. The award recognizes employees who act as role models for Comet in how they collaborate, demonstrate our values, and contribute above and beyond the expectations for their daily jobs. In 2022, we gave out 175 Up & Beyond Awards to recipients in every Comet location and in every area of business. Some examples of specific reasons for being selected for the award are cross-functional and cross-divisional teamwork, betterment of the workplace, and overcoming unstable supply chains.

The retention and engagement of our employees and their loyalty to the company play just as important a role as hiring talented new people. We therefore periodically conduct market benchmarking and perform employee pulse surveys to monitor the level of satisfaction and engagement of our employees, and, when needed, initiate measures to strengthen it. In order to recruit new talent, we conduct needs analyses and regularly review policies and regulations, adjusting them as appropriate.

We also value the employee retirement experience. Our Human Resources team focuses on successful transitions, whether the employee is retiring or leaving the company voluntarily or involuntarily.

In 2019 and again in 2021, we conducted a worldwide engagement survey. This “pulse check” confirmed the good progress made toward becoming a higher-performing organization. The message from it was that we should continue on our chosen path and improve organizational development and, where necessary, improve organizational development and excellence in appropriate ways. For example, it was recommended to:

1. Continue to leverage go-to-market initiatives, such as a common Group framework for sales processes and the introduction of global sales training with one integrated, state-of-the-art training program
2. Focus on integrated talent management, improving talent acquisition in a very competitive market for top talents, developing and retaining our top talents and providing diverse career opportunities within the Group

To address the latter thrusts, we implemented initiatives to develop talent, train apprentices in our own apprentice workshops, and offer progressive social benefits as an important part of our culture. In 2022, we focused on understanding what makes Comet an attractive employer and what it is that we need to do in order to attract and retain talent in future. Based on internal surveys and market research, we determined that the best way for the Comet Group to differentiate itself in the employment market is through the company’s distinctive quality of *curiosity*. To attract and engage the best talent, it is our mindset of curiosity that will set us apart from competitors for talent. Curiosity to get to the bottom of things, or to break new ground. Curiosity as the key to innovation and thoughtful collaboration, to empowering employees to explore, and to better understanding our customers. In a word, curiosity enables the high performance we strive for.

With respect to training, we provide our employees at all levels with regular vocational training in subjects such as quality and excellence, health and safety, product and sales, management, and leadership. In 2022 all managers globally were trained on our new performance and planning approach, whereby employees are empowered to take responsibility for their goals and development needs, and leaders are encouraged to set team goals, to give regular feedback and coach their team members to achieve higher performance and learn from failure. We also successfully rolled out eLoomi, a global e-learning tool, which helps to raise awareness and train employees on global policies such as the [Code of Conduct](#), Trade Compliance, Travel and Group Purchasing, as well as global HR processes like goal-setting and salary reviews. Employees also have access to content that is directly relevant to them – for example, how to work safely from home. We continued to implement development plans for employees who had been identified as key players in our talent review process. These development plans include mentoring (across regions and businesses), short-term cross-functional projects, international assignments, and coaching. In Flamatt we conducted training for all leaders on how to lead in a hybrid world; depending on the feedback, we plan to roll this training out globally.

| Workforce composition | 2022 | |
|---|-------|--------|
| | Male | Female |
| Workforce by employment contract | 1,348 | 415 |
| Permanent | 1,184 | 374 |
| Temporary | 164 | 41 |
| Workforce by employment type ¹ | 1,184 | 374 |
| Full-time | 1,078 | 304 |
| Part-time | 106 | 70 |

¹ Permanent staff only.

| Workforce by region | 2022 | | |
|---|--------|------|---------------|
| | Europe | Asia | North America |
| Total | 1,061 | 324 | 378 |
| Permanent | 897 | 292 | 369 |
| Temporary | 164 | 32 | 9 |
| Workforce by employment type ¹ | | | |
| Full-time | 723 | 291 | 368 |
| Part-time | 174 | 1 | 1 |

¹ Permanent staff only.

| Workforce by category ¹ | 2022 | |
|------------------------------------|-------|--------|
| | Male | Female |
| Total | 1,184 | 374 |
| Production-related | 663 | 168 |
| Marketing and sales | 162 | 72 |
| General and administration | 95 | 101 |
| Research and development | 264 | 33 |

¹ Permanent staff only.

| Turnover by gender ¹ | 2022 | |
|---------------------------------|---------|------------|
| | Entries | Departures |
| Total | 346 | 178 |
| Male | 264 | 132 |
| Female | 82 | 46 |

¹ Permanent staff only.

Employee Health and Safety

Both our products and our manufacturing processes require appropriate attention and compliance with health and safety standards. The basic principles for this are set out in the Quality, Environmental and Health & Safety policy. Occupational safety is ensured, practiced and documented in our management system, which covers all employees, without exception, including external or temporary service providers, i.e., anyone working on our sites and in our buildings. Depending on the location, the organization of health and safety is tailored to the size of the unit and the potential hazards.

In all locations, the local laws and regulations are reflected in how we safeguard health and safety. In Germany, for example, these include the Occupational Safety and Health Act ("Arbeitsschutzgesetz") and the rules and regulations of the Social Accident Insurance system ("Deutsche Gesetzliche Unfallversicherung"), while in Switzerland, key norms are the ten points of the Federal Coordination Commission for Accident Safety ("Eidgenössische Koordinationskommission für Arbeitssicherheit", or EKAS).

Very importantly, besides these legal and regulatory requirements and the business continuity aspect, we also have an ethical and moral obligation to our employees. We have no higher priority than to protect the safety and health of those who work for us, and we strive to reduce the number of accidents to the absolute minimum possible. As notable examples, the use of lasers and chemicals as well as the emission of ionizing radiation in our production processes require corresponding measures to protect our employees from exposure to those potentially dangerous sources.

Our management cares about the well-being of our employees and customers. The organizational units of our company and all employees are responsible for safety and health at work. We are committed to complying with the appropriate laws and safety standards and conduct annual audits, depending on location and exposure. Beyond this, we report deficiencies or violations immediately so that they can be remedied as quickly as possible or avoided in the future, and we strive for improvements in safety at work.

Preventive measures are essential to us. Occupational health and safety are regularly addressed in training or development. Each employee should feel physically and mentally comfortable at work and in the work environment.

The achievement of and improvement in occupational health and safety objectives is ensured by continuous process monitoring and review of the effectiveness of these processes. Policies and guidelines are reviewed at regular intervals to ensure that the management system is up to date and effective. If necessary, they are amended. Such reviews are also and especially triggered by changes in customer requirements.

The responsibilities for health and safety are mapped in the Comet Group management system. Essentially, the division country general manager ensures and is accountable for compliance with the local health and safety standards and procedures. Their implementation is the responsibility of the country division general managers.

Reflecting the deeply entrenched awareness of occupational health and safety in our Group, we had no fatalities in our factories in the year under review.



Occupational health and safety management in practice

Identifying work-related hazards and assessing related risks is of the utmost importance in reducing the number of accidents. In Switzerland, for example, a risk assessment is carried out by occupational physicians and other occupational safety specialists ("ASA specialists"). The risks are then classified according to the risk portfolio. To ensure the quality of these processes, a systematic revision of the portfolio is performed, and new jobs are integrated. The results then feed into the EKAS ten-point system for occupational health and safety management.

Should a work-related hazard or a hazardous situation still arise, employees and workers can report it by means of the two-part "Safer card". The first part is filled out by the employee or worker with his or her assessment, so that the hazard is immediately signposted. The second part is used by the manager to record a hazard report. The hazard must be eliminated within 24 hours. In addition, an employee may refuse to work if the situation is too dangerous for him or her, as Comet is committed to the safety charter of Suva, the Swiss Accident Insurance Agency ("Schweizerische Unfallversicherungsanstalt").

If a work-related incident occurs, an investigation is carried out. When appropriate, a root cause analysis is performed with the involvement of external specialists.

Comet has issued and integrated into its management system a comprehensive portfolio of policies and guidelines for all types of hazards, notable examples being the Comet AG Safety Regulations, the policy for external companies/contractors, and the policy for dealing with non-ionizing radiation (NIR) and noise sources. Employees and workers are involved in the development, implementation and evaluation of the occupational health and safety management system through the application of element 8 of the ten-point EKAS, which deals with the inclusion of employees. The employees are included in the planning of measures, which is especially important when purchasing personal protective equipment. Upon joining the company, continual in-depth safety training is provided depending on the employee's role. In addition, occupational health and safety is regularly addressed in training and development.

| | |
|---|------|
| Occupational health and safety metrics ¹ | 2022 |
| Injuries ² | 16 |
| Lost workdays due to work-related injuries | 370 |

¹ The scope covers all of Comet's companies and locations.

² Recordable injuries arising out of, or in the course of work. The term "injury" is defined according to local labor law (if applicable), or otherwise according to the internal organizational provisions.

Responsible Supplier Standards

We are committed to providing our customers the highest quality supply chain that meets all established product performance standards and expectations. Our purchasing department maintains these high standards by continuously evaluating the performance of our established suppliers.

The [Supplier Code of Conduct](#) (Supplier CoC), which has been in force since January 1, 2021, is based on the Code of Conduct of the Responsible Business Alliance and sets out the basic principles and requirements for Comet suppliers and external service providers regarding their responsibility to their stakeholders and the environment. The [Supplier CoC](#) covers the following topics:

- Compliance with the law
- Prohibition of corruption and bribery
- Fair competition conditions, antitrust laws and intellectual property rights
- Conflicts of interest
- Respect for the fundamental human rights of workers
- Prohibition of child labor
- Health and safety of employees
- Environmental protection
- Supply chain
- Materials compliance

By signing the [Supplier CoC](#), our suppliers agree to abide by the principles and requirements of this Code in addition to their obligations under other contracts with us. We reserve the right to amend the requirements of the [Supplier CoC](#) to reflect changes in our compliance policies.

In general, we do not operate in business sectors or regions that pose significant risks of social responsibility violations by suppliers, including risks related to child labor or to the respect for the fundamental human rights of employees. Concerning child labor, our suppliers certify that they do not hire workers who are less than 15 years of age (in accordance with ILO Convention 138) and that they comply with the domestic standards for the protection of children. Regarding forced or compulsory labor, our suppliers certify that they respect the fundamental human rights of workers, such as, among other aspects, by refusing to hire or allow someone to work against their will.

To minimize the risk of violations of the [Supplier CoC](#), we strive for long-term partnerships with reliable suppliers. However, if a supplier has knowledge of abusive behavior by the supplier or one of our employees, or if the supplier suspects such behavior, the supplier must inform us immediately. In addition, suppliers agree that we, the

Comet Group, including our subsidiaries or designated agents (which includes third parties), may verify compliance with the [Supplier CoC](#), including through audits, on-site inspections of facilities or the review of books and records. In case of a nonconformance, we follow the procedure set out in the ISO 9001 standard. When appropriate, we work together with our suppliers to identify measures to resolve issues. However, we reserve the right to terminate the business relationship with suppliers (subject to applicable laws) if they fail to comply with the [Supplier CoC](#). We also reserve the right to take legal action against them.

Other important elements of the [Supplier CoC](#) are social and environmental aspects. By signing the code, suppliers promise, for example, to:

- Promote equal opportunity and equal rights for employees regardless of color, ethnicity, national origin, social background, disabilities, sexual orientation, political or religious beliefs, gender or age
- Not tolerate any unacceptable treatment of workers, such as psychological violence, sexual harassment or discrimination, and
- Act in accordance with applicable legal requirements and international standards regarding environmental protection.

As part of its due diligence measures in the reporting year, Comet identified minor deviations from best practices with regard to conflict minerals regulations at a small number of suppliers. This was brought to the attention of the suppliers and the situation continues to be closely monitored.

Diversity, Equity and Inclusion

We see diversity, equity, and inclusion (DEI principles) and the belonging of all people as key to our business success. We believe that by embracing diversity, we are more successful in recruiting talent, in better aligning ourselves with customers, increasing employee satisfaction, and providing a better, broader foundation for decision-making. Evidence shows that companies which cultivate diversity, equity and inclusion are more successful in the long term.

Our [Code of Conduct](#) as well as our equal opportunity employer policy state that no employee may be discriminated against by the company or by other employees. We are strongly committed to providing equal opportunity in every aspect of employment. Discrimination against employees by the company or by other employees based on nationality, ethnic origin, religion, sex, age, sexual orientation or on any other protected characteristic is strictly prohibited. No incidents of discrimination occurred in the year under review.

All job applicants are treated fairly and judged solely on their merits. We strive to maintain a recruitment process that is open, honest and fair and to build a team that represents a variety of backgrounds, perspectives and expertise. Our recruitment choices are based on objective criteria such as skills, qualifications, experience and other capabilities relevant to the job. The more inclusive we are, the better our work will be.

In 2020, Comet Technologies USA, Inc., as a frontrunner in the Group, created a Diversity, Equity & Inclusion Board with the goal of driving public awareness of Comet Technologies USA, Inc. as a diverse, equi-

table, and inclusive employer recognized by top talent, as a go-to place for exciting career opportunities and growth potential. The DEI Initiative theme for 2022 was the assimilation and retention of top talent. The DEI Board developed, trained, and helped implement the launch (with assistance from Human Resources) of the Buddy Program, which is designed to educate newly hired employees on the company and culture. In addition, the US entity continued its contract with Progressive Women Leadership (a third-party company), which focuses on empowering our female colleagues, and held its first multi-divisional fundraiser, collecting nearly USD 3,000 to feed needy people in Northern California through the charity Second Harvest.

We believe the conscious pursuit of DEI and belonging will provide benefits in business growth (top- and bottom-line), innovation, time to market, employee and customer satisfaction, and attracting and retaining top talent.

Comet received the "Fair-ON-Pay +" certification for gender pay equity for the Flamatt, Switzerland, site in 2021. The certificate is valid for four years. A brief maintenance test is carried out in year three to check whether the standard criteria are still met. We are on the right track and are committed to doing more regarding diversity, equity and inclusion in order to realize our full potential as the Comet Group.

| Gender diversity of governance bodies | Male | Female | |
|---------------------------------------|------|--------|--|
| Board of Directors | 67% | 33% | |
| Executive Committee | 83% | 17% | |

| Age diversity of governance bodies | <30 | 30-50 | >50 |
|------------------------------------|-----|-------|-----|
| Board of Directors | 0% | 17% | 83% |
| Executive Committee | 0% | 33% | 67% |

Community Engagement

Our innovative power is one of our success factors. By entering into purposeful and meaningful collaborations, we let society share in our ideas, know-how and technological developments.

We believe that technology can improve education. But we also believe that, conversely, fair access to education improves technology, which provides sustainable progress, security and quality of life for all of us. This forms part of the basis of our commitment to acting in a socially and environmentally responsible manner.

Our approach to community engagement is twofold:

1. At the level of the Group: As a learning organization and a company with a long tradition of staff training and development, we pave the way to success for dozens of apprentices, interns and young professionals at any one time. Moreover, we support institutions that are committed to a similar mission in technology and education on a local and global basis. We also launch Group-wide initiatives such as our traditional fundraising before the New Year holiday season to support UNICEF in its educational program.
2. Our regional teams and sites involve themselves opportunistically at the local level in social issues. The impetus often comes from engaged employees, who are encouraged and supported in their activities by the local management.

Governance

Ethics and Compliance

Our [Code of Conduct](#) requires all employees to comply with all applicable laws and ethical standards.

The Board of Directors is responsible for the risk management process. As part of this process, Group risks are assessed twice a year in the Audit Committee. The most important points are then also reported to the Board of Directors and discussed as part of the general business risks. Material risks are systematically identified and recorded in a risk matrix.

At Group level, policies, processes, training, monitoring and continuous improvement measures are in place to maintain the highest level of ethics and compliance awareness among the workforce. Currently, Comet focuses on the following areas: (i) data protection, (ii) [Code of Conduct](#), (iii) anti-corruption, and (iv) anti-trust.

Accountability for the implementation of these topics lies with the country general managers, while responsibility for it rests with the divisions. Compliance officers report to the country general manager and support the divisions and sites in implementing the compliance requirements. Where necessary, adjustments are made in accordance with legal requirements. The responsibility for issuing rules and policies for other compliance topics, such as health protection and occupational safety, lies with the respective country general manager, and these are implemented by the country GM of the division to which the site is assigned.

The value of these structures and efforts is reflected in the fact that, in the year under review, we were not involved in legal proceedings, nor were issued significant fines, resulting from non-compliance with any laws or regulations.

Trade Compliance

When selling our products worldwide, we comply with a wide range of foreign trade laws and regulations. Under no circumstances may exports, brokering, transit or transfer by persons acting on behalf of the Company violate those trade laws and regulations. It is of utmost importance that both Comet as a company, and our products, comply with all standards and requirements related to business, ethics, quality, supplier and consumer protection. Failure to comply with these rules and regulations may result in delays in shipments to our customers, severe financial losses and other penalties imposed by international regulatory authorities. To ensure compliance, Comet has set up and implemented a Trade Compliance Policy which is integrated in the company's management system, lists the essential requirements and defines the roles and responsibilities within the global organization. In addition, it is intended not only to promote and protect personal and corporate interests, but also to ensure compliance with regard to the various supply chains.

Under our management system, the country general manager is responsible for ensuring that trade in his or her country or region is conducted in accordance with Comet's Trade Compliance Policy and applicable regulations. The organizational design and implementation are the responsibility of the country general manager. In order to meet the specific trade compliance requirements, a trade compliance officer is appointed for each country. This officer is responsible for trade compliance and is supported by trade specialists. The trade specialists and the trade compliance officer have the authority to stop transactions. We reinforce trade compliance through annual training for the appropriate employees.

In 2022, we were not defendants in legal proceedings nor were issued any significant fines for non-compliance with trade-related laws and regulations.

Economic

Customer Loyalty and Satisfaction

The needs of our customers determine our actions. As a market leader in radio frequency power and x-ray technology we serve a wide range of customers, from global market leaders to SMEs. Regardless of our customers' size and business sector, we follow four basic principles in serving each one: Ask what problem really needs to be solved and why; inspire through our expertise; provide or co-create solutions with a clear benefit; and deliver what we promise, while saying early on when we cannot meet a need.

In order for us to deliver on these principles successfully, proximity and customer loyalty are crucial. Besides best-in-class products, a strong R&D organization, local presence with skilled sales and service teams in our key markets in Europe, North America and increasingly in Asia, another pillar supporting sustainable business relationships with our customers is our effective and efficient after-sales support.

We take every opportunity to stay in close contact with our customer base, in order to share ideas with customers and to understand and anticipate technological developments. This exchange takes place at various levels: in direct interactions between the account manager and the customer, in joint teams that solve specific problems, at trade shows where we can present innovations from our portfolio, or at trade conferences such as SEMICON West. During SEMICON West in July 2022, for example, our PCT division officially launched Synertia®, our new RF power delivery platform, in the presence of customers and media representatives. A large number of meetings with important customers followed the launch, and our interactions with them have shown us that we very much struck a chord. SEMICON West is also an important trade show for IXS to position itself more strongly in the semiconductor market and increase its visibility. At the event in July, IXS representatives had many conversations with customers about new areas of application and the need to educate about and prove the value x-ray can bring to the inspection of very complex chip structures. Other SEMICON trade shows in Europe, Korea, and Taiwan gave the local Comet representatives the opportunity to discuss our solutions for supporting our customers on their growth trajectory.

Product & Technology Leadership

Serving some of the most innovative customers, we manufacture products at the frontier of what is technologically feasible. With our forward-looking technologies, we strive to be the partner of choice to the most innovation-driven companies in our markets. And we work hard to defend and expand our technology and product leadership in order to remain among the leaders in our markets in the long term.

Product leadership is not defined by technology alone. Rather, achieving it is the result of implementing key strategic decisions such as gaining market leadership for selected products or focusing on standardized products (modular standardization). These strategic issues are regularly aligned with the Technology Committee of the Board of Directors.

To remain the product and technology leader in our markets, we invest between 11% and 13% of our sales in research and development each year. Using funds effectively and efficiently, we employ 297 people in R&D – or about 19% of our total workforce – with proven R&D specialists working at all organizational levels and in all functions.

We measure our targets in terms of market share, on which we collect and analyze data regularly based on internal and external sources. We use other key performance indicators to measure how successfully we sell newly launched products. With the exception of external market share data, these KPIs are presented to and discussed with the Executive Committee at quarterly business review meetings.

Product Impact

Our products can impact society and the environment in many ways. For society, our technologies play an essential role in the manufacturing of semiconductor chips and sensors that are the central building blocks of the digital world. And environmentally, the impact begins with the sourcing of raw materials and continues through the product use stage to the end of the product's life cycle.

For Comet, assessing environmental impact is becoming more and more important. This is partly because customers are increasingly looking for products that have as little impact on the environment as possible, and partly because, going forward, we will give even greater weight to this aspect in the selection of our suppliers in order to improve our own environmental footprint.

In 2022, Comet held its first workshop on eco-design, with participants from all three divisions. By introducing the practice of eco-design at Comet, we will integrate environmental aspects into product design and development to minimize the environmental impact of our products throughout their life cycle. Eco-design has been defined as one of the ESG priorities for Comet in 2023; we are thus educating and training our staff on the concept and starting to work on selected use cases. This will improve our product development processes, in which we take great care to develop durable products that can adapt to new requirements and thus need to be replaced less often.

Product Quality & Compliance

The quality of our products and their conformity with all product-related regulations and directives are a fundamental element of our corporate culture and the basis for our business success. Our quality principles are an important argument for our customers. We are committed to providing our customers with high-quality products and services. Our products are competitive, defect-free, safe and environmentally compatible in their application and thus make a decisive contribution to the success of our customers. Therefore, we strive to avoid any risk that could compromise quality. In addition, we are committed to continuous improvement that starts with the planning of new products, activities and processes. Our management sets division- and site-specific quality objectives, provides the appropriate resources and structures and regularly reviews achievement. Internal audits, customer and certification audits, benchmarks and best practice applications help to continuously develop the quality management system.

The process responsibilities are mapped in the management system of the Comet Group. Essentially, product quality and conformity are de-

financed by the divisions, with responsibility assumed by the division country general manager and accountability resting with the respective country general manager.

Operational Excellence

The Comet Group wants to become more efficient, more flexible, and faster. Our goal is to grow into a highly profitable company with CHF 1 billion in sales and clear market leadership in each of the markets we serve. A key lever in achieving this is the pooling of resources and strengthening of the organization. Focused on global collaboration, we will continue to improve business and operational excellence.

“Operational Excellence” is a process set out in the management system, which provides the framework for making Comet a sustainable, high-performing organization. The Group function Quality & Excellence is responsible for the management system, including the process framework and architecture. Within this framework, the following tasks, among others, fall into this area of responsibility:

- Define, implement and improve Group-wide processes in close cooperation with the divisions
- Set minimum standards for non-financial KPIs for the Group and the divisions
- Monitor the state of the overall management system and prioritize improvements
- Ensure certification and compliance with ISO standards throughout the Group
- Lead the Quality & Excellence Board to drive and support collaboration and execution between divisions and corporate functions

Target achievement is monitored on the basis of defined KPIs such as the number of successfully implemented improvement projects, automated availability of the selected KPIs (for instance, cost of goods sold per unit produced, operations staff costs in percentage of net sales, and on-time delivery performance in filling customer orders), and the certification of all Comet sites to ISO 9001.

The Quality & Excellence Board acts as a committee for the person in charge of the Quality & Excellence group function. The Q&E Board supports the VP of Global Operational Excellence in implementing projects and initiatives in the divisions and corporate functions.

In 2022, we strengthened the Global Operational Excellence (“GOE”) department by combining existing functions – including Logistics, Trade Compliance, Real Estate, Environmental Health and Safety and Facilities Management, among others – under the common umbrella of the Global Operational Excellence department. By forming this center of expertise for all matters relating to operational excellence, we will leverage our power as one company by optimally aligning our business activities worldwide and learning from each other.

GRI Content Index



Comet has reported in accordance with the GRI Standards for the period from 01/01/2022 to 12/31/2022. For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report. This service was provided for the English version of the report.

| GRI Standard | Disclosure | Reference* | Reason for Omission (Requirements omitted (RO), Reason (R), Explanation (E)) |
|---|--|---|--|
| GRI 1: Foundation 2021 | | | |
| GRI 2: General Disclosures 2021 | | | |
| The organization and its reporting practices | | | |
| GRI 2: General Disclosures 2021 | 2 – 1 Organizational details | Comet Holding AG <u>Corporate Governance Report, Group structure and shareholders</u> Comet Holding AG, Herrengasse 10, 3175 Wünnewil-Flamatt, Switzerland <u>Annual Report, Review of 2022</u> | |
| | 2 – 2 Entities included in the organization's sustainability reporting | <u>Consolidated financial statements, 02.5 Consolidation</u> All entities in the financial reporting are also included in sustainability reporting | |
| | 2 – 3 Reporting period, frequency and contact point | Annually, fiscal year from Jan 1, 2022, to Dec 31, 2022 <u>Corporate Governance, Contacts</u> | |
| | 2 – 4 Restatements of information | No restatements | |
| | 2 – 5 External assurance | No assurance | |
| Activities and workers | | | |
| GRI 2: General Disclosures 2021 | 2 – 6 Activities, value chain and other business relationships | <u>Strategy, The Comet Group</u> <u>Notes to the consolidated financial statements, 01 Nature of the business activities</u> <u>Consolidated financial statements, 02.5 Consolidation Report in Accordance with GRI Standards, Responsible Supplier Standards</u> | |
| | 2 – 7 Employees | <u>Consolidated financial statements, 04.1 Operating segments</u> <u>Report in Accordance with GRI Standards, Employer Attractiveness</u> <u>Separate Financial Statements of Comet Holding AG, 10 Number of full-time equivalents</u> | |
| | 2 – 8 Workers who are not employees | 120 workers hired through an agency, mainly in production (assembly); in head count, at the end of the reporting period; no significant fluctuations in the reporting year | |
| Governance | | | |
| GRI 2: General Disclosures 2021 | 2 – 9 Governance structure and composition | <u>Corporate Governance, Board Committees</u> <u>Corporate Governance, Board of Directors</u> <u>Sustainability Report, Sustainability governance and organization</u> | |
| | 2 – 10 Nomination and selection of the highest governance body | <u>Corporate Governance, Board election and terms, internal organization</u> | |
| | 2 – 11 Chair of the highest governance body | The Chair of the Board of Directors is not a senior executive in the organization | |
| | 2 – 12 Role of the highest governance body in overseeing the management of impacts | <u>Corporate Governance, Board of Directors</u> <u>Sustainability Report, Sustainability governance and organization</u> | |

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| | 2 – 13 Delegation of responsibility for managing impacts | Sustainability Report, Sustainability governance and organization |
| | 2 – 14 Role of the highest governance body in sustainability reporting | Sustainability Report, Sustainability governance and organization |
| | 2 – 15 Conflicts of interest | Board of Directors: Corporate Governance, Disclosure of potential conflicts of interest Executive Committee: Corporate Governance, Disclosure of potential conflicts of interest |
| | 2 – 16 Communication of critical concerns | Through AGM or other functions (e.g., IR) via CEO. Concerns regarding the departure of CEO Crofton were addressed by the Board of Directors and the Nomination & Compensation Committee. |
| | 2 – 17 Collective knowledge of the highest governance body | The majority of the members of the Board of Directors are members of the board or management of other listed companies that are advanced in sustainability. Quarterly report on sustainability developments to the Board. |
| | 2 – 18 Evaluation of the performance of the highest governance body | Corporate Governance, Board of Directors Board of Directors conducted a self-assessment with an external Board Advisor in 2022. |
| | 2 – 19 Remuneration policies | Compensation report, 03 Determination of compensation and compensation principles Corporate Governance, Nomination & Compensation Committee |
| | 2 – 20 Process to determine remuneration | Compensation report, 03.1 Determination of compensation |
| | 2 – 21 Annual total compensation ratio | Comparable ratio of 20; total compensation was down in 2022 vs. 2021 (lower variable compensation) |
| Strategy, policies and practices | | |
| GRI 2: General Disclosures 2021 | 2 – 22 Statement on sustainable development strategy | Sustainability Report, Statement of the CEO |
| | 2 – 23 Policy commitments | Report in Accordance with GRI Standards, Supplier Code of Conduct Report in Accordance with GRI Standards, Trade Compliance Report in Accordance with GRI Standards, Ethics and Compliance |
| | 2 – 24 Embedding policy commitments | Report in Accordance with GRI Standards, Supplier Code of Conduct Report in Accordance with GRI Standards, Trade Compliance Report in Accordance with GRI Standards, Ethics and Compliance Sustainability Report, Human rights statement |
| | 2 – 25 Processes to remediate negative impacts | Report in Accordance with GRI Standards, Supplier Code of Conduct Report in Accordance with GRI Standards, Trade Compliance Report in Accordance with GRI Standards, Ethics and Compliance |
| | 2 – 26 Mechanisms for seeking advice and raising concerns | Sustainability Report, Achievements in 2022 (integrity hotline) |
| | 2 – 27 Compliance with laws and regulations | Report in Accordance with GRI Standards, Ethics and Compliance Report in Accordance with GRI Standards, Environmental Management System and Compliance |

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| | | Report in Accordance with GRI Standards, Trade Compliance |
| | | Report in Accordance with GRI Standards, Employee Health & Safety |
| | 2 – 28 Membership associations | SEMI (global industry association that encompasses the entire electronics manufacturing and supply chain), EUROBAT, JIMA (Japan Inspection Instruments Manufacturers' Association, Swiss Malaysian Chamber of Commerce) |
| Stakeholder engagement | | |
| GRI 2: General Disclosures 2021 | 2 – 29 Approach to stakeholder engagement | Sustainability Report, Material Topics |
| | 2 – 30 Collective bargaining agreements | Less than 5% of employees are covered by bargaining agreements. For employees not covered by collective bargaining agreements, we regularly benchmark the working conditions and terms of employment against organizations with collective bargaining agreements. Overall, our working conditions and terms of employment are superior compared to organizations with collective bargaining agreements. |
| | | Report according to GRI Standards, Employer Attractiveness |
| GRI 3: Material Topics 2021 | | |
| | 3 – 1 Process to determine material topics | Sustainability Report, Material topics |
| | 3 – 2 List of material topics | Sustainability Report, Material topics |
| Environmental | | |
| Materials Compliance | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | Report in Accordance with GRI Standards, Materials compliance |
| Environmental Management System and Compliance | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | Report in Accordance with GRI Standards, Environmental Management System and Compliance |
| Energy Management and Carbon Emissions | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | Report in Accordance with GRI Standards, Energy Management and Carbon Emissions |
| GRI 302: Energy (2016) | | |
| GRI 302 – 1 | Energy consumption within the organization | Report in Accordance with GRI Standards, Energy Management and Carbon Emissions |
| GRI 302 – 4 | Reduction of energy consumption | Report in Accordance with GRI Standards, Energy Management and Carbon Emissions |
| GRI 302 – 5 | Reduction in energy requirements of products and services | Sustainability Report, Climate roadmap |
| GRI 305: Emissions (2016) | | |
| GRI 305 – 1 | Direct (Scope 1) GHG emissions | Report in Accordance with GRI Standards, Energy Management and Carbon Emissions (table) |
| GRI 305 – 2 | Energy indirect (Scope 2) GHG emissions | Report in Accordance with GRI Standards, Energy Management and Carbon Emissions (table) |
| GRI 305 – 5 | Reduction of GHG emissions | Sustainability Report, Climate roadmap |
| Social | | |
| Employer Attractiveness | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | Report in Accordance with GRI Standards, Employer Attractiveness |
| GRI 401: Employment (2016) | | |
| GRI 401 – 1 | New employee hires and employee turnover | Report in Accordance with GRI Standards, Employer Attractiveness |

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| GRI 404: Training and Education (2016) | | |
| GRI 404 – 2 | Programs for upgrading employee skills and transition assistance programs | <u>Report in Accordance with GRI Standards, Employer Attractiveness</u> |
| Employee Health and Safety | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403: Occupational Health and Safety (2018) | | |
| GRI 403 – 1 | Occupational health and safety management system | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 2 | Hazard identification, risk assessment, and incident investigation | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 3 | Occupational health services | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 4 | Worker participation, consultation, and communication on occupational health and safety | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 5 | Worker training on occupational health and safety | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 6 | Promotion of worker health | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 8 | Workers covered by an occupational health and safety management system | <u>Report in Accordance with GRI Standards, Employee Health and Safety</u> |
| GRI 403 – 9 | Work-related injuries | <u>Report in Accordance with GRI Standards, Employee Health and Safety (table)</u> |
| Responsible Supplier Standards | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Responsible Supplier Standards</u> |
| GRI 308: Supplier Environmental Assessment (2016) | | |
| GRI 308 – 1 | New Supplier Screening Using Environmental Criteria | <u>Report in Accordance with GRI Standards, Responsible Supplier Standards</u> |
| GRI 408: Child Labor (2016) | | |
| GRI 408 – 1 | Operations and suppliers at significant risk for incidents of child labor | Comet does not operate in businesses or regions that pose significant risks, including risks related to child or forced labor or to the respect for the fundamental human rights of employees |
| GRI 409: Forced or Compulsory Labor (2016) | | |
| GRI 409 – 1 | Operations and suppliers at significant risk of incidents of forced or compulsory labor | Comet does not operate in businesses or regions that pose significant risks, including risks related to child or forced labor or to the respect for the fundamental human rights of employees |
| GRI 414: Supplier Social Assessment (2016) | | |
| GRI 414 – 1 | New suppliers that were screened using social criteria | <u>Report in Accordance with GRI Standards, Responsible Supplier Standards</u> |
| Diversity, Equity and Inclusion | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Diversity, Equity and Inclusion</u> |
| GRI 405: Diversity and Equal Opportunity (2016) | | |
| GRI 405 – 1 | Diversity of governance bodies and employees | <u>Report in Accordance with GRI Standards, Diversity, Equity and Inclusion</u> |
| Community Engagement | | |

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| GRI 3: Material Topics 2021 | Management of material topics | <u>Report in Accordance with GRI Standards, Community Engagement</u> |
| GRI 413: Local Communities | | |
| GRI 413 – 1 | Local Community Engagement, Impact Assessments, and Development Programs | <u>Report in Accordance with GRI Standards, Community Engagement</u> |
| <u>Sustainability Report, Social achievements in 2022</u> | | |
| Governance | | |
| Ethics and Compliance | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Ethics and Compliance</u> |
| GRI 205: Anti-Corruption (2016) | | |
| GRI 205 – 3 | Confirmed incidents of corruption and actions taken | <u>Report in Accordance with GRI Standards, Ethics and Compliance</u> |
| GRI 206: Anti-competitive Behavior (2016) | | |
| GRI 206 – 1 | Legal actions for anti-competitive behavior | <u>Report in Accordance with GRI Standards, Ethics and Compliance</u> |
| Trade Compliance | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Trade Compliance</u> |
| Economic | | |
| Customer Loyalty and Satisfaction | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Customer Loyalty and Satisfaction</u> |
| Product and Technology Leadership | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Product and Technology Leadership</u> |
| Product Impact | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Product Impact</u> |
| Product Quality and Compliance | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Product Quality and Compliance</u> |
| Operational Excellence | | |
| GRI 3: Material Topics 2021 | 3 – 3 Management of material topics | <u>Report in Accordance with GRI Standards, Operational Excellence</u> |
| GRI 201: Economic Performance (2016) | | |
| GRI 201 – 1 | Direct economic value generated and distributed | <u>Annual Report, Performance</u> |
| <u>Annual Report, Comet Group key consolidated financial results</u> | | |