



Landis+Gyr ESG Directive

Changes since last Revision

Revision	Date	Modified by	Remarks
2.0	09.22.2020	Stefania Varga	Introduction of new topics; language updated throughout all sections; overall reorganization of topics.
3.0	06.03.2023	Cecilia Silva Wagner	Update to reflect latest developments and align to ESG Cycle (FY2022-FY2024). Replacement of term 'CSR' with 'ESG'.



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1. Message from the CEO

At Landis+Gyr, we hold ourselves and everyone we interact with to very high standards. Over the last 125+ years, we have built a solid reputation in respect to leading innovation, quality products, and as a trusted partner with high integrity.

Given our global presence, we have the opportunity to effect positive change all over the world. As a market leading energy management Company, we have a responsibility not only to our shareholders, employees, customers, partners and suppliers, but also to the communities in which we operate to demonstrate responsible and sensible behavior in everything we do. It is our mission to manage energy better and to drive positive change, including best-in-class sustainable social, environmental and governance practices.

This Environmental, Social & Governance (ESG) Directive, as part of a set of comprehensive policies, control mechanisms and certifications governing our internal and external operations, manifests what drives our behavior every day. Consequently, our ESG goals are also linked to our Short-Term Incentive Plan (STIP). Additionally, we are committed to the principles defined in the UN Global Compact as the foundation of our efforts to firmly establish a culture of integrity and to act responsibly, ultimately expanding our commitment to compliance and integrity.

I strongly believe in the importance of following these standards and reemphasize that it is our shared responsibility to limit the adverse consequences that business operations could have on social, environmental, and governance topics. Please join me in driving positive change around the world, taking pride in the impact our products, services and actions have on communities and the environment every day. Together, we will truly deliver innovation, which enables utilities and energy consumers around the world to utilize energy in a more informed and sustainable way, positioning us as the premier partner to manage energy better and leading the way in doing so responsibly.

Werner Lieberherr

Chief Executive Officer



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2. Introduction

Landis+Gyr Group AG (collectively with its affiliated companies: “Landis+Gyr” or “the Company”) is a leading global provider of integrated energy management solutions for the utility sector. Offering one of the broadest portfolios in its industry sector, the Company delivers innovative and flexible solutions to help its customers, mainly energy utilities, solve their complex challenges in smart metering, grid edge intelligence, and smart infrastructure technologies.

Landis+Gyr helps energy providers and consumers around the globe “manage energy better.” Given the growing demand for energy and increasing complexity of energy management, the Company is fully committed to providing utilities with smart solutions to measure and manage energy generation, distribution and consumption.

Landis+Gyr’s portfolio helps to successfully address these challenges, while preserving natural resources by constantly seeking to minimize the environmental impact of its business operations. Landis+Gyr also provides related services up to full-service meter park management. By doing so, the Company directly supports the achievement of several of the UN Sustainable Developments Goals (“SDGs”), including ensuring access to affordable, reliable, sustainable and modern energy for all (Goal 7); ensuring sustainable consumption and production patterns (Goal 12); and taking urgent action to combat climate change and its impact (Goal 13).

This Directive outlines Landis+Gyr’s commitment to sustainability, which does not end with its environmental practices and innovations, it also includes respect for fundamental human and labor rights both within its operations and value chain, as well as the promotion of a healthy, safe and inclusive work environment.

The Company conducts its business in accordance with all applicable laws and regulations, and in accordance with the highest standards of business conduct and ethics, strict compliance with all of which helps to avoid potential claims against the Company or its Board of Directors. It also draws upon internationally recognized standards in order to advance social and environmental responsibility and business ethics. These standards, such as the [Responsible Business Alliance](#) Code of Conduct and the [UN Global Compact \(UNGC\)](#),¹ form the basis of Landis+Gyr’s internal and external policies, including the Landis+Gyr Environmental, Social & Governance Directive.

3. Focus of the ESG Directive and Activities

The Board of Directors has designated the sustainable execution of our business model at all levels and along the entire value chain as a key factor in the Company’s future success. Caring for the environment and natural resources and fulfilling the Company’s responsibility to its employees and society are imperative for the

¹ Both RBA and UNGC draw upon principles from the UN Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the UN Universal Declaration of Human Rights



sustainable execution of Landis+Gyr's business model. As the Company has committed to the United Nation's Global Compact, Landis+Gyr's ESG focus lays on the four areas Human Rights, Labor, Environment and Anti-Corruption. Whereas these topics are already an essential part of [Landis+Gyr's Code of Business Ethics and Conduct](#), further focus areas relevant to internal and external stakeholders are identified in a comprehensive materiality analysis. For each of these topics, a team of specialists with a dedicated workstream leader develops a package of measures with corresponding performance indicators. These measures serve as a roadmap for establishing and implementing a coordinated and comprehensive ESG management system.

DELIVERING CONTINUOUS PROGRESS

In its annual [Sustainability Report](#), Landis+Gyr reports on progress made during the reporting period, describes the underlying measures, and describes the targets defined.

Furthermore, Landis+Gyr undertakes major efforts to meet the ongoing challenges and opportunities of climate change, technological innovation, and demographic and societal changes by implementing its ESG roadmap. Therein, the Company is guided primarily by the UNGC and the Global Reporting Initiative (GRI) standards. UNGC encourages businesses worldwide to adopt sustainable and socially responsible policies and to report on their implementation, while GRI provides a detailed reporting structure and framework.

Landis+Gyr has identified a three-year ESG cycle as best fitting with the Company's business cycles. In the third year of every cycle, a new materiality analysis leads to new or adapted objectives and goals, thus advancing Landis+Gyr's journey as an exemplary corporate citizen. For further information, please refer to Annex 1.

4. Scope of the ESG Directive

All Landis+Gyr directors, officers, employees and contractors (collectively "employees") are bound by the internal standards outlined in this Directive. For clarification on any of the practices and policies discussed in the following chapters, as well as scenarios not covered here, or to report cases of suspected non-compliance, employees should speak to their supervising managers, Compliance Officer, or report the same anonymously via the [Speak-Up System](#). For further clarification, employees are advised to turn to the Legal and Compliance department for assistance.

Landis+Gyr regularly informs its internal and external stakeholders, as well as the general public, of its ESG goals and objectives and related achievements. This is done annually through the public Landis+Gyr Sustainability Report and internal ESG reporting.

5. Corporate Governance

Landis+Gyr is part of a global community, and this comes with a great responsibility - one that the Company is proud to advance: contributing to the development of a more environmentally responsible and sustainable world by helping society manage energy better. Landis+Gyr's commitment to being a responsible corporate citizen is an effective conduit for positive change due in large part to effective management structures, clearly identified roles and responsibilities, and sustainability by design, which we incorporate into our processes.



MANAGEMENT OVERSIGHT AND ACCOUNTABILITY

Corporate governance refers to the way Landis+Gyr manages, monitors, and controls its group companies and its operations. A comprehensive activity report together with the roles and responsibilities of the Board, its members and committees can be found in the Company's [Annual Report](#).

The Annual Report also provides an update regarding the Company's risks and how they are managed. ESG-related risks (e.g. extreme weather events, cyber-attacks and corruption incidents) prompted the Company to establish a Steering Committee (SteerCo) to oversee and guide the global activities aimed at managing these risks. The SteerCo, which includes senior executives from across Company functions, periodically informs the Executive Management and the Board of Directors on the status of the Company's ESG activities, achievements and goals. It also oversees the assessment of the impact the company has on the economy, the planet and people and the related due diligence to mitigate risks, help ensure compliance or remediate negative impacts while steering the company towards positive ones.

POLICY COMMUNICATION AND TRAINING

Landis+Gyr regularly, clearly, and accurately communicates information about its policies, practices, expectations, and performance to employees and its own supply chain. Landis+Gyr also offers appropriate training programs for directors, managers and employees to assist with the implementation of Landis+Gyr's policies, procedures, and improvement objectives, as well as to meet applicable ESG legal and regulatory requirements. Monitoring of trainings is carried out via the Landis+Gyr Learning Management System.

6. Business Conduct

Landis+Gyr upholds the highest standards of integrity in all business interactions and has a zero-tolerance policy regarding any and all forms of unethical business practices as outlined in the Code of Business Ethics and Conduct. All the rules and processes stipulated therein also apply to ESG.

Accordingly, Landis+Gyr has a zero-tolerance policy with respect to violations of: human rights standards (including child labor and modern slavery), fair competition, anti-corruption practices, environmental protection laws, and ethical business conduct.

FAIR COMPETITION

Fair competition is essential to market innovations, quality deliverables, and thus Landis+Gyr's continued success. Landis+Gyr competes fairly on the basis of its products and services, as well as the talent of its employees, and upholds all required legal and business standards in advertising and sales. The Landis+Gyr Unfair Competition and Antitrust Policy offers further guidance on this topic.

NO IMPROPER ADVANTAGE

Landis+Gyr strictly prohibits corruption, extortion, embezzlement and/or grant of unlawful or unethical benefits, in any form or manner. This prohibition covers promising, offering, authorizing, giving, or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct



business to any person, or otherwise gain an improper advantage. The Landis+Gyr Anti-Corruption Policy offers further guidance on this topic.

CONFLICT & EXTENDED MINERALS

Landis+Gyr actively strives to prevent the use of Conflict Minerals within its products to avoid the direct or indirect financing of armed groups that are perpetrators of serious human rights abuses. The Company requires its suppliers and partners to share this objective. As such, Landis+Gyr has adopted policies and established systems to use cobalt, mica, tantalum, tin, tungsten, and gold from sources that have been verified as conflict-free. The Company conducts risk mitigation and due diligence appropriate to the nature of the risks as it pertains to its products and suppliers, in line with the provisions set out in the 'OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas', the SEC rule under section 1502 of the Dodd-Frank Act (US only) and the EU Regulation 2017/821 (EU only).

CONFIDENTIALITY

All employees must properly guard Landis+Gyr's confidential and proprietary information, such as information related to Landis+Gyr's business operations, strategies, or relations with other companies, including confidential information about third parties obtained by Landis+Gyr under a confidentiality obligation. It is forbidden to disclose such information absent a business necessity to do so (and then only subject to an appropriate non-disclosure agreement) or if required by stock exchange regulations, court order, operation of law, or government regulation, as advised by the legal department.

INTELLECTUAL PROPERTY

Landis+Gyr manages technology and processes information in a manner that treats sensitive information and intellectual property rights with the appropriate level of care. All employees are required to protect the Company's intellectual property rights, safeguard sensitive business and customer information, and respect the intellectual property rights of others. Further guidance on these requirements can be found in the Intellectual Property Policy and Process.

7. Employment Practices

Landis+Gyr understands its value stems from the hard work and dedication of its employees. In return, the Company fosters a working environment where employees can flourish and rise to their best. Landis+Gyr fosters a safe, fair and ethical workplace for its employees. The Company treats employees with the utmost dignity and respect and upholds fundamental human rights. Furthermore, Landis+Gyr strives to provide a diverse and inclusive working environment for its employees. Additional information regarding this topic can be found in the Landis+Gyr Code of Business Ethics and Conduct.

PROHIBITION OF FORCED AND CHILD LABOR

The Company's regulations explicitly condemn child labor, the use of modern slavery, threats of violence and harassment, or any other exploitation of workers by means of threat, force, coercion, abduction, or fraud.



While Landis+Gyr supports the development of legitimate workplace apprenticeship programs for the educational benefit of young people, it does so only so long as the same comply with all applicable laws. Further, the Company ensures working hours, including the number of hours and days worked, do not exceed the maximum set by applicable local laws and regulations. Where no such regulations exist, Landis+Gyr has introduced a global standard whereby a workweek shall not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off every seven days. The Company compensates its employees fairly, in compliance with all applicable laws and regulations relating to minimum wages, overtime hours, and other legally mandated benefits (e.g., paid time off, social security contributions, etc.) and never deducts or threatens deduction from wages as a disciplinary measure. All use of temporary, dispatch, and outsourced labor is carried out within the limits of the local law and in accordance with our internal regulations.

ANTI-DISCRIMINATION

Landis+Gyr does not tolerate discrimination of any kind—including race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information, or marital status—in hiring and employment practices such as wages, promotions, rewards, and access to training.

FREEDOM OF ASSOCIATION

Landis+Gyr respects the rights of workers to associate freely, join workers' organizations, seek representation, bargain collectively, engage in peaceful assembly, or refrain from any such activities, as permitted by and in accordance with applicable laws and regulations. Landis+Gyr ensures workers can engage in such acts without fear of discrimination, reprisal, intimidation or harassment.

DIVERSITY, EQUITY AND INCLUSION (DEI)

Landis+Gyr embraces and actively supports diversity, equity and inclusion (DEI) in the workforce. DEI is an ethos that recognizes the value of diverse voices and centers inclusivity and employee wellbeing as central cornerstones of success. Varied perspectives, experiences, and backgrounds lead to better ideas to solve tomorrow's complex energy problems of a changing and increasingly diverse world.

To promote DEI, Landis+Gyr is committed to:

- Fair treatment of all people regardless of gender identity, nationality, ethnicity, age, dis/ability, sexual orientation, religion, socio-economic background, or any other personal characteristic;
- Representation of diversity at all levels;
- Equal access to opportunity and fair pay; and
- A focus on innovation and entrepreneurial spirit.



WORKPLACE FLEXIBILITY AND WORKTIME REDUCTION

Landis+Gyr provides workplace flexibility by offering many of its employees a hybrid work schedule where they can flexibly work three days in the office and two days remotely. Certain roles require on-site presence more than three days a week. Furthermore, Landis+Gyr offers part-time roles in a diverse range of positions.

EMPLOYMENT SECURITY AND RESPONSIBLE WORKFORCE RESTRUCTURING

Providing consistent, stable jobs to its employees helps Landis+Gyr increase retention, attract top talent, and create a sense of feeling valued and appreciated. Landis+Gyr believes that employment security is a premise that goes way beyond establishing a legal employment contract and has benefits for both the Company and its employees. Therefore, the Company has established key principles related to employment security:

- Minimize the use of external human capital: The use of contingent workers and service providers is only authorized where specific tasks or projects of a finite duration cannot be performed by internal Landis+Gyr employees. They should generally only be considered as a staffing alternative for short-term projects, for supplementing, not supplanting, the Landis+Gyr workforce during extended regular employee absences or during peak workload, or as strategic outsourcing of labor for a specific purpose.
- Promotion of internal job opportunities: It is required to post all vacancies internally ensuring that internal talents can grow and develop within the organization.
- Encourage learning and development opportunities: By empowering our employees' learning journeys, we are helping to grow their knowledge and skill set. Employees who proactively upgrade their skills or acquire new ones through training, education and lifelong learning adapt to the evolving economy and improve their employability.

In a fast-changing economic environment, organizations are required to evolve their workforce to meet ever-changing business needs, which sometimes results in changes that are disruptive and painful. When that occurs, Landis+Gyr is committed to responsible workforce restructuring. Whenever possible, staff, employees, and their representatives are invited to work together to seek and suggest solutions for reducing overcapacity, restoring competitiveness and preserving the long-term viability of the Company. When restructuring is unavoidable, all the relevant parties are involved in the program design and operations. Landis+Gyr communicates openly with all stakeholders, including employees, works councils, unions, government, and local stakeholders. The Company seeks to minimize personal employee impacts caused by the ensuing changes with redeployment options, e.g., with retraining, transfers, outplacement.

8. Health and Safety Practices

Landis+Gyr follows the vision “No employee is ever to sustain any work-related injury or illness” and, therefore, provides its workers with a safe and healthy workplace. Aside from minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production, and worker retention and morale. As part of its health and safety practices, Landis+Gyr identifies, evaluates, and controls worker exposure to any hazards, in particular



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hazardous chemical, biological, and physical agents, including physically demanding tasks. Furthermore, the Company has implemented a preventive risk identification reporting and near-miss program to expand awareness of safety, gain essential team involvement, and continually reduce employee exposure to health and safety risks.

It is Company policy that safety training and compliance with the internal procedures and systems that are in place to prevent, manage, track, and report occupational injury and illness are mandatory throughout our offices and manufacturing facilities.

Further information on this topic can be found in the Global Occupational, Health and Safety (OHS) Directive.

Landis+Gyr proudly complies with the following international standard on health and safety:

- ISO 45001 (formerly OHSAS 18001), which provides a framework to identify, control and decrease the risks associated with health and safety within the workplace. This international standard is applied at all locations Group-wide and is audited on an annual basis, externally by accredited certification bodies.

OHS CONTROLS AND EQUIPMENT MAINTENANCE

OHS-related preventive maintenance routines are carried out in each location as applicable to ensure the proper, safe, and environmentally effective operation of tools, devices, test lab equipment, measuring devices, and vehicles. Below are some examples of baseline routines, which are reviewed and supplemented where different equipment types are utilized locally:

- Vehicle Safety Inspections: owned or leased inspection frequency: pre-trip; Supervisor assessments and inspection frequency: quarterly;
- Fire Extinguishers and Emergency Lighting: facility and vehicle extinguishers, emergency lighting/inspection frequency: monthly;
- Electrically Insulating PPE: electrically insulated rubber gloves/test frequency: 180 days; Electrically insulated rubber blankets/test frequency: 180 days;
- Material Handling Equipment: forklifts inspection frequency: each operator before first use of the day; Pallet Jacks inspection frequency: each operator weekly before first use;
- Facility Fire Sprinkler Systems: water-based fire protection system/test frequency: per local fire code, in accord with NFPA 25;
- Test Lab Equipment: test, calibration & maintenance frequencies: as specified by the manufacturer; and
- Monitoring and Measuring Equipment: certificates of calibration and certification reviews for suppliers of calibration/maintenance services are maintained.



PERSONAL PROTECTIVE EQUIPMENT (PPE)

Managers in each location, with support from the local QEHS team, are responsible for:

- Proactively assessing hazards presented by each work activity and establishing and implementing PPE requirements;
- Designating and marking facility work areas requiring PPE, as well as safety zones where PPE is not required;
- Identifying field activities and work sites requiring PPE, as well as field safety zones where PPE is not required;
- Completing a PPE hazard assessment for each work activity and communicating results to all affected personnel;
- Communicating both standardized Landis+Gyr PPE requirements and locally established PPE requirements to all affected employees, visitors, and contractors under Landis+Gyr control;
- Ensuring that all affected employees receive training in the inspection, use, care, storage, and replacement of all applicable PPE;
- Ensuring that supervising managers require their employees to inspect each piece of applicable PPE for safe and serviceable condition prior to use, to report any defects discovered, and to appropriately repair or replace the defective item prior to use; and
- Ensuring all employees, visitors, and subcontractors under Landis+Gyr control conform to PPE requirements.

HANDLING OF HAZARDOUS SUBSTANCES

To comply with the Globally Harmonized System (GHS), QEHS teams in each location with support from the local management team prepare a written plan describing how the involved requirements are implemented and managed locally, which includes processes for ensuring:

- All containers with hazardous chemicals are properly labelled;
- Safety Data Sheets (SDS) for all chemicals are available;
- Training on chemical hazards is given to exposed employees;
- Initial inventory of all chemicals used is taken;
- Employees have ready access to SDS information;
- Employees are briefed on SDS information;
- Employees follow the SDS instructions when coming in contact with a chemical;
- If a reaction occurs, employees use information in SDS book to determine proper medical attention; and
- SDS books/online library is up-to-date.



In each location where employees are exposed to chemicals at concentrations at or above levels requiring measurement and medical surveillance, compliance with the associated governmental regulations are maintained. Requirements can include pre-placement, periodic, and termination medical examinations.

OHS REQUIREMENTS IN THE SUPPLY CHAIN

Management teams in each location, as applicable, maintain Landis+Gyr's process for controlling procurement of external products and services to ensure conformance to applicable OHS requirements. The process is coordinated with subcontractors to identify hazards and assess/control OHS risks arising from the subcontractors' activities and operations impacting Landis+Gyr, its activities and operations impacting the subcontractors' employees, and the subcontractors' activities and operations impacting other parties in the workplace. Landis+Gyr expects the OHS requirements of our Integrated Management System (IMS) to be fulfilled by subcontractors and their employees. The process also defines and applies OHS related criteria for the selection of subcontractors.

In fulfillment of Landis+Gyr's service to its customers, management teams in each location, as applicable, implement Landis+Gyr's protocol for controlling processes or parts of processes outsourced to subcontractors and suppliers. Implementing the protocol ensures that outsourcing arrangements are consistent with legal and other requirements and with achieving the intended outcomes of our IMS. The type and degree of control to be applied is defined within our IMS.

9. Environmental Practices

Given the nature of its global operations, Landis+Gyr periodically reviews and strengthens its Group-wide sustainability management systems and has established standards to ensure environmentally conscious conditions throughout its operations and supply chain.

Further information on this topic can be found in the Global Integrated Management System (IMS) Policy.

PROMOTING ENVIRONMENTAL MANAGEMENT

Landis+Gyr considers environmental stewardship to be one of its primary responsibilities and promotes environmental activities in harmony with economic activities. Landis+Gyr assesses the impacts of its business activities, products and services on the environment, and specifies objectives and targets concerning the reduction of environmental impacts and prevention of pollution.

Landis+Gyr has implemented a systematic approach to measuring the use of resources, conserving these resources where possible, and reducing the related negative environmental impacts. The Company has implemented such management approaches for energy, water, waste, emissions, and pollution.

CARBON FOOTPRINT

As a leader in energy management, the Company has a strong sense of responsibility towards using energy efficiently and combatting climate change. As such, Landis+Gyr is committed to reducing its carbon footprint, both for operational direct emissions (GHG scopes 1 and 2) as well as upstream and downstream indirect



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emissions (GHG scope 3). Moreover, through its products and services, the Company supports customers and end-consumers in reducing their own carbon footprint (so-called 'Scope 4').

The Company signed up to the Science-Based Targets initiative (SBTi) in 2022 to set ambitious decarbonization targets in line with the 1.5 C degree trajectory recommended in the Paris Climate Agreement.

REGULATORY REQUIREMENTS

Landis+Gyr maintains required environmental permits, approvals, and registrations, and complies with applicable operational and reporting requirements. As required by applicable laws, regulations, and customer requirements, Landis+Gyr prohibits or restricts the use of specific substances in products and manufacturing, including labeling for recycling and disposal.

GREEN PROCUREMENT

Green procurement involves purchasing products, parts, components, and materials with minimal environmental impact from suppliers that vigorously promote environmental protection. Landis+Gyr promotes green procurement as a measure during the production phase. To that end, the cooperation of suppliers throughout the entire supply chain is essential to ensure that business operates in a way that reduces the environmental impact and risks posed by hazardous chemical substances or poor environmental practices. More information can be found in [Landis+Gyr's 'Supplier Code of Conduct – Annex: Green Procurement Requirements'](#)

CERTIFICATIONS AND COMPLIANCE

The following is a non-comprehensive list of standards and directives that Landis+Gyr complies with:

- ISO 14001, which provides organizations with a framework for an effective environmental management system. Our manufacturing sites are certified for compliance with ISO 14001 requirements. This international standard is applied at all locations Group-wide and is audited on an annual basis, externally by accredited certification bodies.
- RoHS, or the European Union Restrictions on Hazardous Substances directives, which restrict the use of hazardous substances in electrical and electronic equipment;
- REACH, or the European Regulation on Registration, Evaluation, Authorization, and Restriction of Chemicals, which is aimed at improving the protection of human health and the environment;
- Conflict Minerals: OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, SEC rule under section 1502 of the Dodd-Frank Act (US only) and EU Regulation 2017/821 (EU only);
- CA Proposition 65 (US only);
- TSCA, or the Toxic Substances Control Act (US only);



- POP, or the Persistent Organic Pollutants (EU only); and
- SCIP, or Substances of Concern in Products (EU only).

10. Responsible Products

Landis+Gyr strives to contribute to more sustainable environmental practices through its products and services. As such, Landis+Gyr supports the achievement of Goal 7 of the SDGs (ensuring access to affordable, reliable, sustainable, and modern energy), as well as Goal 12 (ensuring sustainable consumption and production patterns).

Landis+Gyr aims to reduce the environmental impact of all business processes, encompassing design, manufacturing, logistics, sale, and disposal, with a particular focus on the prevention of pollution, greenhouse gas emissions and climate change, efficient utilization of resources and control of chemical substances. To that end, Landis+Gyr develops and provides environmentally sustainable products and services, which help reduce environmental impacts throughout their life cycles.

Landis+Gyr relies on thorough quality testing and compliance with international standards for improving the quality and efficiency of its products. By adhering to the standards, Landis+Gyr is able to market products and services that not only meet customer and regulatory requirements, but that are also reliable and innovative. When monitoring and managing the impact of Landis+Gyr products, a product's full life cycle is considered.

Additional information is available in the Product Environmental (Sustainability) Policy, the Green Design Manual, and the Global Product Environmental (Sustainability) Compliance Procedure.

11. Information Security and Data Privacy

It is of paramount importance to Landis+Gyr that its information, and the information of its employees, customers, business partners, and suppliers is adequately protected from unauthorized disclosure. The same holds true when it comes to the security of Landis+Gyr's products and services. Landis+Gyr complies with all privacy and security laws of the locations where it operates, as well as with specific contractual obligations agreed upon with third parties. The following policies offer further guidance on these topics: Information Security Policy, Information Classification Policy, Acceptable Use Policy (AUP), AUP for non-office workers, Bring Your Own Device Policy, Baseline Information Security Policy, eDiscovery Policy and Vulnerability Disclosure Policy.

INFORMATION SECURITY PRACTICES

The Company clearly defines organizational IT/information security roles, responsibilities, and accountabilities, and it publishes and maintains formal written information security policies, protocols, and processes.

Landis+Gyr has also implemented appropriate technical and organizational security measures, in line with industry best practices, to protect against any unauthorized or unlawful processing of, and against accidental loss, destruction, alternation, disclosure or damage to Landis+Gyr data. The Company maintains policies and



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procedures to detect, monitor, document and respond to actual or reasonably suspected unauthorized information disclosures and encourage the reporting of such incidents.

Acknowledging that everyone in the Company has a role to play in protecting and securing information, Landis+Gyr performs a periodical information security awareness training for all employees.

BUSINESS CONTINUITY AND DISASTER RECOVERY

Landis+Gyr agrees to maintain and annually test Business Continuity and Disaster Recovery plans in support of contract deliverables.

DATA PRIVACY

Landis+Gyr endeavors to maintain, at the global level, high standards and levels of protection of personal data that are in line with the European General Data Protection Regulation. Further, the Company complies with applicable data protection laws when obtaining, processing, transferring, and storing personal data, and ensures the same is protected from third party infringement and/or improper use. Landis+Gyr does not disclose personal data without informed consent and prior notice, except as dictated by applicable local laws.

12. Speak-Up

Landis+Gyr is committed to maintaining the highest standards of honesty and accountability and recognizes that each of its employees has an important role to play in achieving this goal. An employee may be the first to know when someone is acting improperly, illegally, or unethically when conducting business on behalf of or with Landis+Gyr.

Thus, Landis+Gyr strongly encourages every employee who knows of or suspects a violation of applicable laws, regulations, the Code of Business Ethics and Conduct or the Company's related policies, including those relating to accounting, internal controls and auditing matters, to report that information immediately to their supervisor, their Compliance Officer, the regional Legal Team, or by using the [Speak-Up](#) Hotline, a service whereby employees can anonymously report a concern either by phone or via a secure website. Landis+Gyr policy prohibits retaliation against any person reporting such a concern in good faith. An alternative channel for reporting violations is available by contacting a dedicated Ombudsperson. The Ombudsperson shall act as a neutral third-party and liaison between the reporting party and Landis+Gyr. Both the Speak-Up and Ombudsperson are also available to external parties. Further information is available on Landis+Gyr's website.

Further information on this topic can be found in the Code of Business Ethics and Conduct or the Speak-Up System Process and Policy.



13. Supplier Due Diligence

Landis+Gyr is committed to ensuring that the ESG standards it imposes internally are as stringent as the standards it imposes on its suppliers. The ESG Supplier Due Diligence approach taken by Landis+Gyr can be summarised as follows:

1. Supplier Code of Conduct: communicate expectations to suppliers, and secure their commitment;
2. ESG Risk Assessments: ask suppliers to demonstrate compliance to ESG regulations and standards in order to assess their ESG risk level and feed high-risk suppliers to the ESG audit pipeline;
3. ESG Audits: in cooperation with the Quality function, verify supplier compliance to the Company's Supplier Code of Conduct;
4. Critical news: in cooperation with the Compliance function, monitor public resources (news, social media, etc.) for information which might suggest supplier risk, including ESG risks; and
5. Annual Supplier Risk Assessments: comprehensive review of supplier associated risks, and consequent mitigation actions/strategy.

1. SUPPLIER CODE OF CONDUCT

Through the Landis+Gyr Supplier Code of Conduct, Landis+Gyr imposes strict requirements on its suppliers regarding employment practices, including an explicit prohibition on child labor and modern slavery; health and safety; environmental practices; ethical conduct; information security practices; and corporate governance.

The Supplier Code of Conduct also includes, as an Annex, the Green Procurement Requirements, a Policy which is owned by the Landis+Gyr Quality function and which covers Conflict Minerals reporting, banned and restricted substances, environmental protection, among other topics. In addition to the Green Procurement Requirements, EU-facing suppliers are required to implement ISO 14001, and this requirement is currently in review for other Landis+Gyr operating regions.

Suppliers must comply with this Code in all business dealings with Landis+Gyr. Suppliers must also bind all its directors, workers, suppliers, agents, contractors, and temporary labor agencies directly supplying goods or services to Landis+Gyr to the principles and obligations of this Code. As part of its supplier compliance review, Landis+Gyr requires a signed representation from suppliers indicating receipt of the Code and compliance with its terms.

Subject to any restriction imposed by law, suppliers must promptly and in writing inform Landis+Gyr of any concern or non-conformance related to issues governed by the Supplier Code of Conduct. In addition, concerns of misconduct potentially affecting Landis+Gyr can be reported via the Speak-Up System. Landis+Gyr policy prohibits retaliation against any person reporting such a concern in good faith.



2. ESG RISK ASSESSMENTS

Landis+Gyr collects targeted information from suppliers (in the form of surveys, policy documentation, certification, etc.) relevant to the supplier (for instance, based on internal segmentation, sector or geography). This information allows suppliers to confirm and demonstrate, concrete actions they have taken to comply with ESG standards and regulations.

Landis+Gyr has decided to leverage the services of an external supply chain and compliance monitoring provider for years 2022-2025. This party brings expertise in terms of best-in-class practices and standards and provides Landis+Gyr with an initial assessment of supplier ESG performance. As the Landis+Gyr Supplier Code of Conduct incorporates and is largely based on best-in-class practices and standards, this assessment serves as a proxy for supplier compliance to the Code of Conduct.

3. ESG AUDITS

Landis+Gyr has developed an ESG audit (process, questionnaire, etc.) which has been incorporated into the standard direct material supplier audit. The audit was developed and is executed by the Quality function, and rigorously assesses supplier compliance to the Landis+Gyr Supplier Code of Conduct.

The Quality function within Landis+Gyr has executed all ESG supplier audits to date, with several members of the team trained for this purpose. Landis+Gyr has also researched possible third parties that could be leveraged to execute ESG audits. For the time being, this option has not been retained, but remains available in case of future audit capacity constraints.

4. CRITICAL NEWS

Landis+Gyr, supported by an external service provider, proactively monitors and screens its supply base via live processing of public data, including news media, press releases, and social media for any risk-based news about suppliers. Any potential risk is escalated and reviewed by a joint Compliance/Procurement team.

5. ANNUAL SUPPLIER RISK ASSESSMENTS

The Procurement function runs an annual exercise to assess supplier risks, covering (a) procurement risks (b) health risks and (c) performance risks.

The health risks include various indicators of supplier health (financial, health, etc.) and specifically ESG.

The process requires that all risks be documented, as well as any corresponding mitigating actions and strategies. Progress versus the mitigation plans is monitored regularly.

PROCESSES, KPIs AND TARGETS

The Procurement function has established processes, targets and KPIs in order to monitor and reasonably minimize ESG risks through its supply base. These processes have clear owners and undergo regular review. Landis+Gyr's Supplier Code of Conduct and ESG supplier auditing are based and aligned with the principles of the Responsible Business Alliance.



RISK MANAGEMENT AND SUPPLIER DEVELOPMENT

Where appropriate, Landis+Gyr will take mitigating actions and adjust supplier strategies, in consequence of the various processes and routines described above. These can range from contacting a supplier to verify the risk is still valid, affording a supplier time and help to resolve a risk, or terminating business with the supplier. The procurement function of Landis+Gyr includes a Supplier Development Manager, which among other responsibilities, will work with suppliers – as appropriate – to guide or assist in resolving an ESG issue. Similarly, the Quality function of Landis+Gyr works with suppliers towards the same ends.

14. Commitment to Our Communities

As a good corporate citizen, Landis+Gyr strives to deliver positive economic and social value in all its areas of operation. Additional information on this topic is available in the Global Community Engagement Directive.

NO ADVERSE EFFECTS ON LOCAL COMMUNITIES

Landis+Gyr aims to protect the communities and environment that surround its facilities. Where conservation is not feasible, the Company considers alternative practices such as modifying production, updating maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

CONSTRUCTIVE CONTRIBUTIONS TO LOCAL COMMUNITIES

Landis+Gyr is committed to being a force for good in the communities where we live and operate. To this end, we work collaboratively with local groups and social organizations to address key issues that affect the well-being of our communities. The Company has identified specific areas of community involvement and promotes active employee engagement in a wide range of activities, including volunteering and fundraising.

Annex 1

ESG Initiatives FY 2022-2024

The graph below displays the results of the materiality analysis for the three-year period starting in FY 2022 and ending in FY 2024. These were identified as critical to the Company’s environmental, social, and governance performance following an in-depth analysis and interviews with internal and external stakeholders.

