

# Sustainability Report

2024

Made in Switzerland,  
Trusted worldwide

LandCART

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# Summary

Landqart AG produces high-quality security substrates for secure applications such as bank notes, passports and other documents. As a medium-sized company, we deal with the many challenges involved in the production of secure high security substrates.

The sustainability strategy was developed in 2024 and we are pleased to build on existing targets. These include the recording and reduction of energy consumption, the continuous further development of high security substrates in terms of technology, efficiency and sustainability, as well as our employees which are our company's most important resource. Targets, and measures that have already been taken have been built upon, expanded and complemented by the sustainability strategy. This document describes our development of the sustainability strategy and its implementation representing Landqart's first sustainability report. The following sections describe key topics at Landqart AG, their relevance and the measures taken.

This includes, among others, recertification ISO 14001 – environmental management, implementation of the annual CO<sub>2</sub>-balance, development of more sustainable products, investment in employee training and employee health, etc.

## Climate and energy, water

Paper production is an energy-intensive process. Our energy management team is constantly working to ensure that the energy consumed is recorded more efficiently and that measures to reduce it are defined and implemented.

Since 1991, there has been a direct long-distance (9 km) steam pipeline to the nearby waste incineration plant. The steam is used to generate heat for various machines and units as well as to heat the building.

Landqart AG has been operating its own wastewater treatment plant (WWTP) since 1981. As a company with high water consumption, it was decided early on that the water extracted should be cleaned and returned to the natural water cycle.

## Sustainable products

In recent months, further steps have been taken to increase the proportion of sustainable raw materials in the products. Initial alternatives to the main fibre raw material, cotton combers, has been identified and test productions have been carried out. A development project will follow on from this preliminary work in 2025.

## Employees

As our most important resource our employees play a central role in our sustainability strategy. Landqart AG employed 238 people in the reporting year. Included in this total number are 12 apprentices who are being trained in 5 different disciplines. We continuously invest in the further education and training of our employees. The spectrum ranges from introductory courses for new employees to specialised further education and training.

Special attention is paid to occupational health management. In addition to the introductory courses for new employees, other courses are organised throughout the year in cooperation with the Swiss Accident Insurance Fund (SUVA). As a result, both occupational accidents and non-occupational accidents have been reduced in recent years.

## Digitalisation

Landqart AG has developed a digital roadmap. The introduction of a modern ERP/MES system is being planned to merge older systems and to record and analyse data more efficiently and consistently.

## Supply chain management

To optimise supply chain management, the supplier selection process evaluates the general conditions in the supplier countries as well as impeccable quality, compliance with human rights and adherence to Landqart AGs code of conduct.



# Foreword

As a medium-sized company, we have a responsibility towards our employees, customers and the environment, which is why we have addressed the issue of sustainability for a long time.

Landqart AG's wastewater treatment plant (WWTP) was commissioned back in 1981. In addition, we have been sourcing district heating and steam from a nearby waste incineration plant since 1991 and have therefore been able to operate our business virtually free of fossil fuels for over 30 years. As our company is energy-intensive, we ensure that the electricity we need comes from renewable sources.

**We are particularly proud of our CO<sub>2</sub> balance: For Scope 1 + Scope 2 emissions, we were able to achieve a value of '0.2 tonnes of CO<sub>2</sub> equivalents' in 2024.**

These 0.2 tonnes of CO<sub>2</sub> equivalent correspond to approximately 1000 km of driving in a mid-size car. We are sending out a clear signal with this first sustainability report: We want to make our successes to date visible and at the same time set ourselves goals for the future with our sustainability strategy. For us, sustainable management means harmonising ecological, social and economic aspects – and doing so with a sense of proportion and pragmatism.

This report provides an overview of the measures we have taken so far and shows what our next priorities will be. We are convinced that acting sustainably is not only an obligation, but also an opportunity for innovation and long-term success.

We would like to thank everyone who has joined us on this journey and look forward to shaping a sustainable future together.

Dr. Markus Heusser  
Chairman of the Board of Directors

Patrick Riederer  
Chief Executive Officer

# About Landqart

GRI 2-6

Landqart AG manufactures high security substrates, used for bank notes, passports and other documents.

The company was founded in 1872 in the town of Landqart, under the name “Papierfabriken Landqart”. Over its more than 150-year history, the company has continued to develop. Durasafe®-technology was developed in 2008, which combines paper and polymer and allows various security features to be integrated within it, making the banknotes and documents made with it more durable and secure.

In the 2010s, Landqart AG specialised as a manufacturer of high security substrates, quitting the commercial paper business entirely.

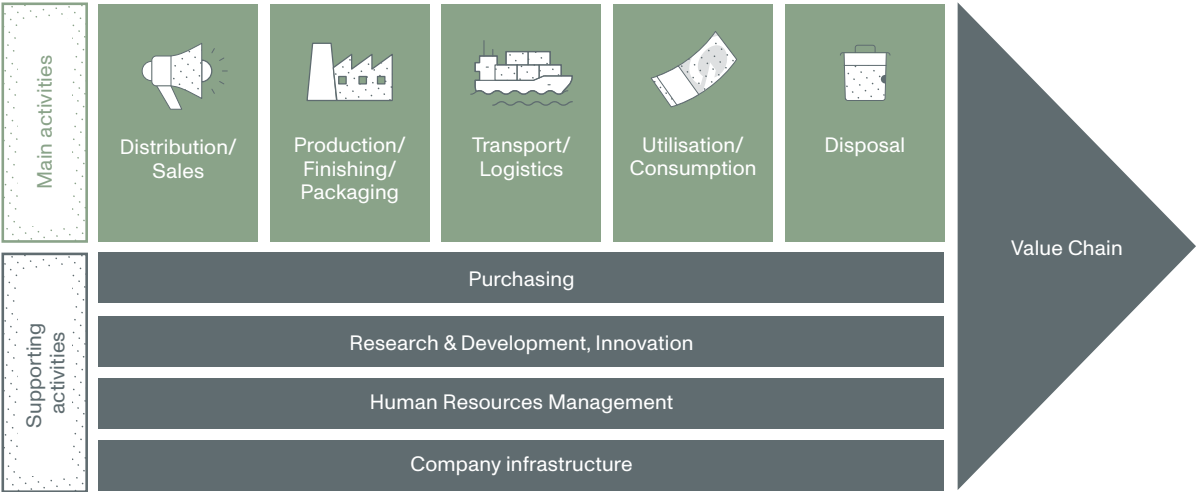
Cotton combers is one of the main raw materials of high security substrates. This is a by-product of the textile industry. In addition, Landqart AG is currently working on examining and testing alternative, more sustainable raw materials; an opportunity to develop

innovative products. However, such development must continue to guarantee the security, durability and printability of the products our customers need from us.

Demographic change and the company's geographical location in rural Graubünden are challenges that further exacerbate the shortage of skilled labour within our industry. To find and train qualified and loyal employees under these conditions, we have been investing in our own young talent for years by offering apprenticeships for various specialisations and positioning ourselves as an innovative employer in the region in cooperation with universities of applied sciences. We want to inspire and attract young people to our unique industry.

New technologies have significantly changed requirements in recent years and now complement decades of experience. To utilise the resulting synergies, we proactively promote cooperation between long-standing and new employees.

## The value chain of Landqart AG



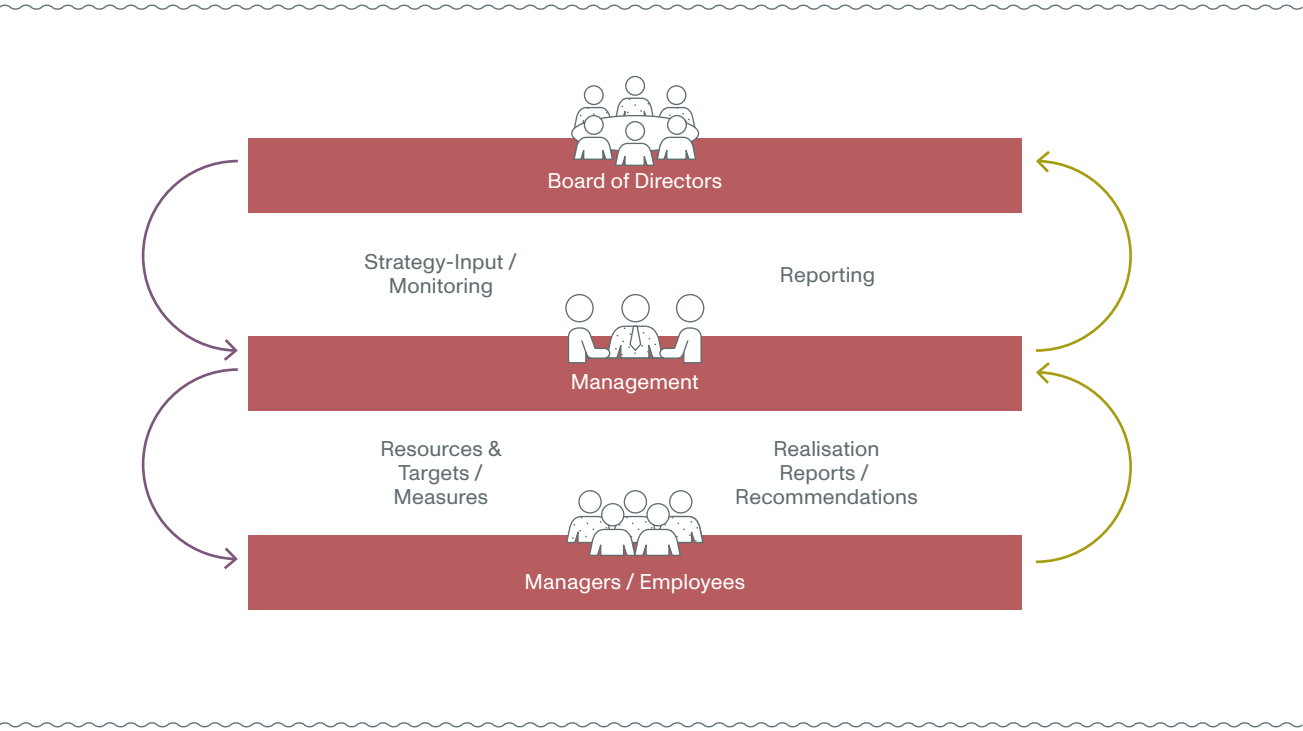
Our sales team maintains contacts worldwide and often supports clients right from the first ideas and conceptualisation stage in order to support the customer's value chain as well as our own. For example, the Durasafe® product as a banknote substrate with a circulation lifetime well above the average compared to other substrates takes sustainability into account per se.

All orders are checked in advance across various departments, e.g. for the availability of raw materials, security features and harmonised production systems, to ensure on-time production and delivery. At Landqart, every order is tailor made to the customer's exact specification. This applies from the mostly individual specifications of the raw material to the packaging. Deliveries are made almost exclusively to security printers who produce banknotes, passports and security documents. These are then put into circulation by state organisations and disposed of by them at the end of their service life. Partly Regulatory and technical restrictions do not currently allow old banknotes or passports to be recycled into new security substrates.

Supporting activities ensure that raw materials, auxiliary materials etc. are available in good time and in the required quality. Our research and development department works together with the innovation department to further develop products by using more sustainable raw materials, among other things. The manufacture of these highly complex products is only possible with qualified personnel and by ensuring all processes run efficiently and smoothly and that the systems are available.

# Sustainability governance

GRI 2-9, 2-12 to 2-14, 2-17, 2-23, 2-24



The Management, together with the various specialist departments, is responsible for developing and implementing the sustainability strategy.

The Board of Directors is actively involved in this process and is regularly informed about current topics and activities. This dialogue takes place both during the regular meetings of the Board of Directors and during new projects that might impact or influence the sustainability strategy.

Employees are informed of Landqart AG's objectives by the Management. Regular information is provided to all employees at frequent and regular meetings as well as through internal bulletins and live town hall style meetings.

The responsible departments actively work on projects to achieve our sustainability goals. Progress, as well as challenges and possible solutions, are regularly reported to the Management. The Management in turn involves the Board of Directors in important projects and explains decision-making processes.

The sustainability targets have been approved by the Board of Directors and the Management and are set out in the targets for the relevant departmental levels. The Management ensures that target achievements are regularly reviewed.

Landqart's sustainability strategy and the latest sustainability report are published on the company's homepage.



# Stakeholder Engagement & partnerships

GRI 2-29

Regular dialogue with the company stakeholders is important for the further development of Landqart AG. In addition to the usual content of business relationships, this also applies to sustainability issues. Meetings, industry conferences and joint projects are used to communicate Landqart AG's sustainability strategy.

In the following table, we have listed our most important stakeholder groups, exchange mechanisms and topics relevant to the respective groups:

Stakeholder	Topics
<b>Customers</b> <ul style="list-style-type: none"><li>– Double materiality analysis survey</li><li>– Regular meetings</li><li>– Participation in industry conferences with our customers</li><li>– Partnerships, e.g. to develop new products or realise specific customer requests</li></ul>	<ul style="list-style-type: none"><li>– Customers expect Landqart AG to recognise their needs and implement orders flawlessly. For this reason, we are in constant dialogue with our customers.</li></ul>
<b>Employees</b> <ul style="list-style-type: none"><li>– Double materiality analysis survey</li><li>– Employee events</li><li>– Daily/regular exchange in the departments (Production Control Board)</li><li>– News posts</li><li>– Incentives/gifts for length of service, milestone birthdays, successful training and development programmes</li><li>– “Future Day” for local school pupils</li><li>– Training and further education in various professions.</li><li>– Health and safety provision</li></ul>	<ul style="list-style-type: none"><li>– Employees are regularly informed about current topics relevant to the company via news posts and live town hall meetings. Various parties and events are organised, such as barbecues and Christmas parties. In addition to vocational training, apprentices are involved in internal projects.</li><li>– Further training opportunities for all are actively promoted.</li><li>– Mandatory training courses on occupational health and safety are organised for all new employees.</li><li>– In addition, various other training courses are offered in cooperation with SUVA (Swiss Accident Insurance Fund).</li></ul>

## Stakeholder

## Topics

### Shareholders

- Double materiality analysis survey
- Annual financial statements
- Regular meetings of the Board of Directors
- Annual General Meeting
- Annual strategy workshop
- Participation in industry conferences
- Ad hoc visits

- It is important to Landqart AG to maintain an open and constructive dialogue with its shareholders.
- In addition to the regular meetings of the Board of Directors and the Annual General Meeting, further meetings are held on various topics.
- Board members take part in industry conferences as required.
- Visits to the production facility in Landqart are organised.

### Suppliers

- Double materiality analysis survey
- Regular dialogue with the main suppliers
- Communication of our expectations in relation to the sustainability strategy
- Regular self-disclosure
- Partnerships to realise new products or specific customer requests

- Suppliers are asked for self-declarations on child labour and conflict minerals to ensure that international rights / laws are respected.

### Local interest groups

- Double materiality analysis survey
- Exchange with local authorities
- Exchange with local educational institutions

- Regular dialogue with local authorities such as the mayor and cantonal government representatives. Participation in various local events.
- Participation in various educational programmes of the University of Applied Sciences of the Grisons.
- Visits to schools to convey general information about Landqart AG and position it as a potential employer.
- Regular and active dialogue with the Office for Nature and the Environment in relation to the Wastewater Treatment Plant, and participation in corresponding training courses.

# Sustainability strategy & materiality analysis

GRI 2-22, GRI 3-1, GRI 3-2

In order to identify the sustainability issues with the greatest impact on our company and our environment, we carried out a double materiality analysis for the first time in 2024.

Together with a the consultancy firm engageability Ltd, we drew up a list of potentially relevant topics based on various industry standards, regulatory requirements and an analysis of our competitors and customers as well as anticipated megatrends.

We then had these topics assessed by internal and external stakeholders in an online survey. All stakeholders assessed the impact on the environment and society. Financial materiality was assessed by the Executive Board. Survey participants were also able to suggest other relevant topics.

Most of the participants were employees. External stakeholders included suppliers, customers, representatives of the canton and the municipality as well as research partners.

The results of the online survey were then evaluated in detail with the Management and various department heads. We used the methodology of the European Sustainability Reporting Standards (ESRS) as a guide. This analysis resulted in 7 material topics for Landqart AG, which we will address in our Sustainability Strategy 2025 – 2030. The materiality analysis and the sustainability strategy developed from it were approved by the Board of Directors.



**Environment**  
Climate & Energy  
Water  
Sustainable Products



**Social Issues**  
Continuous education  
for employees  
Workplace health management






**Governance**  
Digitalisation  
Supply chain management  
(incl. Anti-Corruption and  
Human Rights)

With our sustainability strategy, we are taking an important step towards the future. It helps us to bundle our measures to remain competitive in an international market environment, reduce our costs and emissions through more efficient processes, continuously improve the quality of our products and increase customer satisfaction. With our strategy, we want to work together with our customers and suppliers towards a more sustainable future.

In the following chapters, we report on our short and medium-term strategic sustainability goals and the progress and challenges in achieving these goals for the respective material topics.

Climate and Energy

GRI 3-3, 305-1 to 305-3, 305-5, 302-1, 302-2

Strategic Goal	Measures in the reporting year	Progress of target achievement	Justification
By 2025, we will be reviewing various initiatives such as SBTi and by 2026 we will be developing science-based emission reduction targets.	CO <sub>2</sub> balance drawn up for 2024.	On track 	<p>The level of detail of the data for the CO<sub>2</sub> balance has been improved.</p> <p>Initial initiatives have been examined, but no specific reduction targets have yet been adopted.</p>
Carry out ISO re-certification	ISO 14001 – Environmental Management	achieved 	Audit was carried out and re-certification achieved.
We engage an energy consultancy to identify specific measures to reduce annual electricity consumption.	Energy consulting	achieved 	An energy consultant has been commissioned and initial targets have been defined. Several energy measures have also been implemented.

Climate

Landqart AG is certified according to ISO 14001 – Environmental Management. Our aim is to reach environmental targets, use our resources even more efficiently, minimise environmental risks and sustainably improve processes.

Since 2020, we have been working with ClimatePartner to calculate our corporate carbon footprint (CCF). The CCF is the sum of all greenhouse gas emissions caused by Landqart AG each year. The calculation is based on the guidelines of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).

In 2024, we were able to reduce our emissions (scope 1 – 3) by 3.5 % from a total of 40,900 tonnes of CO<sub>2</sub> equivalents (CO<sub>2</sub>e) in 2023 to 39,500 tonnes of CO<sub>2</sub>e. Since the first CCF evaluation in 2020, our CO<sub>2</sub>e footprint has been reduced by a total of 9.7 %. (Base value for 2020: 43,778 tons).

Our Scope 1 emissions are at a low level (0.2 % of our overall emissions).

Scope 2 emissions are also almost zero, as we have been covering our steam and heat requirements with a district steam pipeline since the early 1990s. This energy comes from a nearby waste incineration plant

and enables us to supply energy with virtually no fossil fuels. An oil burner can only be temporarily switched on to generate steam if the steam pipe fails.

An overhaul of the steam pipe became necessary in 2024. During this time, the above-mentioned oil burner was switched on, which led to increased emissions.

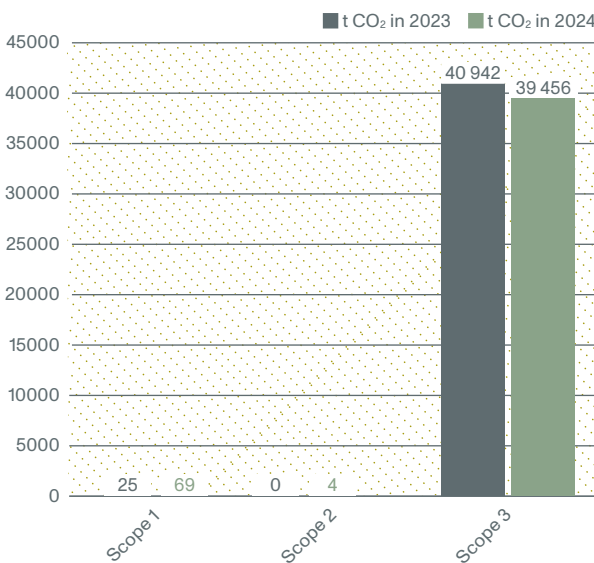
The majority (77 %) of our carbon footprint is caused by purchased goods and services in our value chain (Scope 3 – 99.8 % of total emissions), particularly our raw materials. However, our emissions are subject to fluctuations resulting from the annually changing product mix. Depending on the type of products ordered, more or fewer emissions are caused by raw materials, energy, water, steam and logistics.

In our medium-term planning, we are working on utilising our materials and systems more efficiently. We are also working on more environmentally friendly alternatives to our current products, as described further under the topic of sustainable products (page 16).

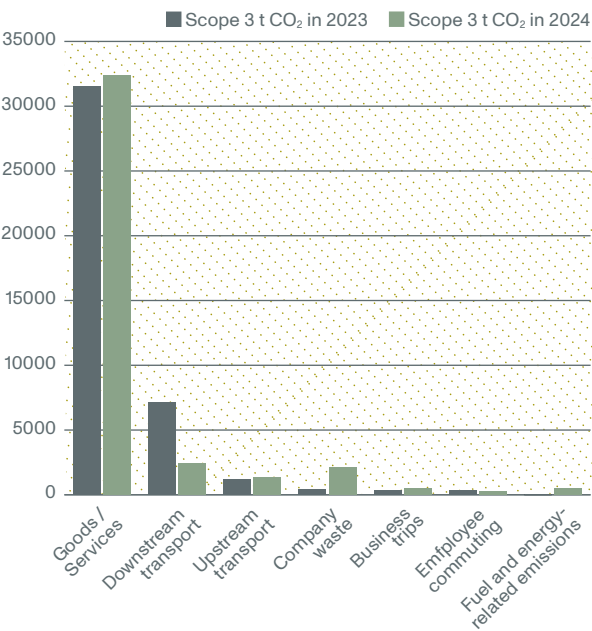
The data used to calculate our Scope 3 emissions is partly based on estimates. In the reporting year, we took the first steps to record emissions from the upstream and downstream value chain. Where data was available, it was included in the update of the carbon footprint. Our Scope 3 emissions fell by 3.7 % CO<sub>2</sub>e compared to the previous year. This reduction is primarily due to the more accurate data basis.

CO<sub>2</sub>e emissions in 2024 compared to 2023

CO<sub>2</sub>e-Emissionen Scope 1 – 3



The largest emission sources under Scope 3





## Energy

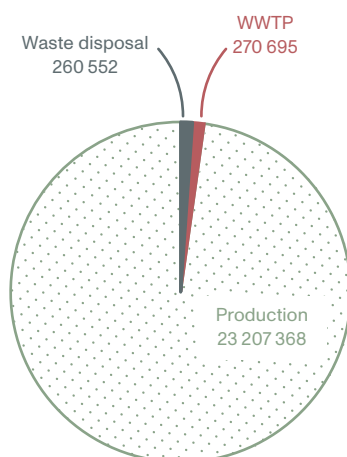
### Electricity & Steam

Landqart AG is an energy-intensive company. Large quantities of energy are required for the substrate production. Risks in this context include supply interruptions, delivery delays, dependence on individual energy sources and regulatory risks. Renewable energies, which the company relies on, must also be available in sufficient quantities.

Energy consumption can only be controlled and reduced to a limited extent. In the reporting year, we engaged an energy consultant and defined initial measures that will help pin this area. Among other things, a list was drawn up of all older electric motors, which will be replaced with more energy-efficient ones when the time comes for them to be replaced. The same applies to cooling appliances, which should also be more energy-efficient when new ones are purchased. Another measure to reduce our energy consumption is to gradually replace the existing lighting with LED technology. We have also installed new electricity meters to provide a better overview of our energy consumption, allowing us to analyse it in more detail.

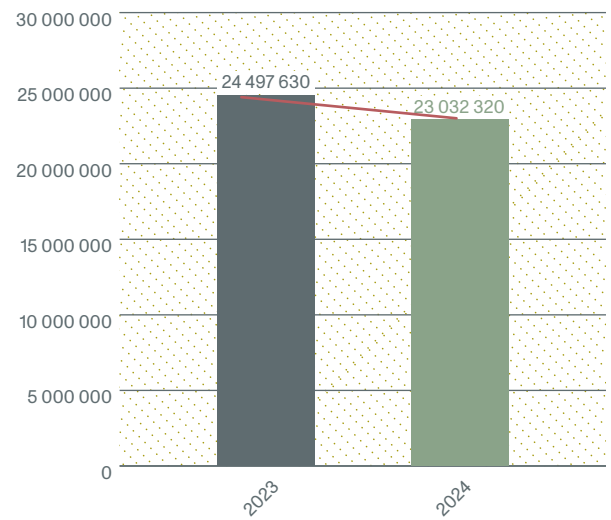
Our electricity consumption in 2024 was 23.9 million kilowatt hours (kWh) compared to 27.4 million kWh in 2023 (– 13 %).

### Power consumption 2024 kWh / year



Steam is primarily required for the paper machine to heat the drying cylinders. Our steam consumption fell slightly in 2024. The annually changing product mix also determines consumption in this energy area. In addition, depending on the weather, more or less steam is needed for heating the buildings.

### Steam consumption kWh / year


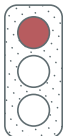


We are constantly investigating the possibilities of using alternative energy sources, such as solar panels, to cover part of our energy requirements. One challenge here is that the buildings are old and the roof load-bearing capacity is not a given. For any new buildings or renovations, energy-efficient solutions are considered as far as possible and clarified with the owners.

Landqart AG is the only paper mill in Switzerland that produces high security substrates. Comparing the various data on energy consumption with other paper mills is therefore difficult. The materials, technology and processes involved in the production of graphic paper, newsprint, or cardboard differs significantly from the production of safety substrate.

# Water

GRI 3-3, 303-1 to 303-3

Strategic Goal	Measures in the reporting year	Progress of target achievement	Justification
The load on the Waste-water Treatment Plan (WWTP) is limited to 3,000 m <sup>3</sup> of wastewater per day with a maximum of 10 days of exceedance per year.	Regular inspection of all channel sliders	achieved 	Most sliders are operated automatically. All remaining manual sliders, which run on an older system, are operated manually.
	The draining regime during shutdowns should be strictly adhered to	not achieved 	<p>The maximum wastewater volume was exceeded on 17 days.</p> <p>The automated discharge regime was 'accidentally' controlled manually on several occasions due to a lack of training for new employees in key positions. Corrective measures were taken.</p>

Landqart AG uses approx. 800,000 m<sup>3</sup> of fresh water per year. With this amount of water, Landqart AG can produce 8,000 to 10,000 tonnes of finished products.

During the production process, water, natural fibres (mostly cotton comber), minerals, dyes, various security features and chemical additives are mixed together. During the production of a substrate, the water used is used in a closed cycle and only the water that evaporates when the paper dries is replaced.

Once a product has been completed, the production water must be disposed of together with some of the remaining ingredients and is disposed of in the company's own wastewater treatment plant. There, the water is purified of all foreign substances and tested in the laboratory before it is channelled into the local river (the Rhine).


We attach great importance to strict compliance with wastewater loads and the discharge specifications of the Grison Office for Nature and Environmental Protection (ANU), thereby contributing to a clean environment and species-rich waters.

In 2024, the defined maximum water volume was exceeded only on a few days. Despite exceptions exceeding some limits, no untreated wastewater entered the environment. The retention basins were able to absorb the increased water volume.

The regular water quality tests for biological and chemical residues by the ANU revealed full compliance with the required values: daily internal tests also all within the required values.

# Sustainable products

GRI 3-3, 301-3

Strategic Goal	Measures in the reporting year	Progress of target achievement	Justification
By 2030, we will produce a product made from 30 % sustainable raw materials and win at least one customer for it.	A development project has been launched. Alternative raw materials have been identified and test productions planned.	on course 	The project is running on schedule. Initial results are available.

Our high security substrates consist primarily of natural fibers, such as cotton combers and linters (both byproducts of the textile industry) and wood pulp. Our Durasafe® multilayer substrates consist of a security substrate of this same composition and a thermoplastic polymer.

Further improving the sustainability of our products is both a concern of ours and an increasingly clear market demand. Therefore, efforts, investigations, and trials to develop more sustainable versions of our products were already underway in 2024. These product developments will begin in 2025, with the goal of having two sustainable product variants evaluated for pilot-scale banknote printing by the end of the year.

Sustainable products use sustainably produced raw materials. These can be local raw materials or those that require less water and energy consumption or pesticide use.

Our packaging materials consist primarily of wood (transport crates) and recyclable film. This is primarily done at the request of our customers and as a climate barrier during transport. Reverse logistics is agreed with suppliers where possible; for example, spools of certain safety materials are returned and reused.

As one of the largest regional employers, Landqart AG embraces its social and economic responsibility by offering a broad range of jobs. In 2024, we employed a total of 238 people. As an internationally operating company, diversity plays an important role.

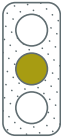
In addition to performance-based and market-based compensation, it offers a variety of other employee benefits. Landqart AG is committed to compensating its employees according to their responsibilities,

roles, and performance. Gender plays no role in this process. This is periodically reviewed and ensured through wage equalization analyses.

We pursue various approaches in the area of “employer branding”. We participate in both local trade fairs and national job fairs. We are also active in university marketing.

Employee Training

GRI 303, 404-1 to 404-3

Strategic Goal	Measures in the reporting year	Progress of target achievement	Justification
Landqart AG’s continuing education concept includes a rolling process in which the company’s continuing education needs are periodically determined. This results in proactive succession planning for key personnel.	<ul style="list-style-type: none"><li>– Annual internal training plan.</li><li>– Training for various apprenticeships.</li><li>– Individual further training.</li></ul>	on course 	<ul style="list-style-type: none"><li>– Mandatory training sessions are scheduled for everyone upon entry.</li><li>– Apprentices are actively supported.</li></ul>

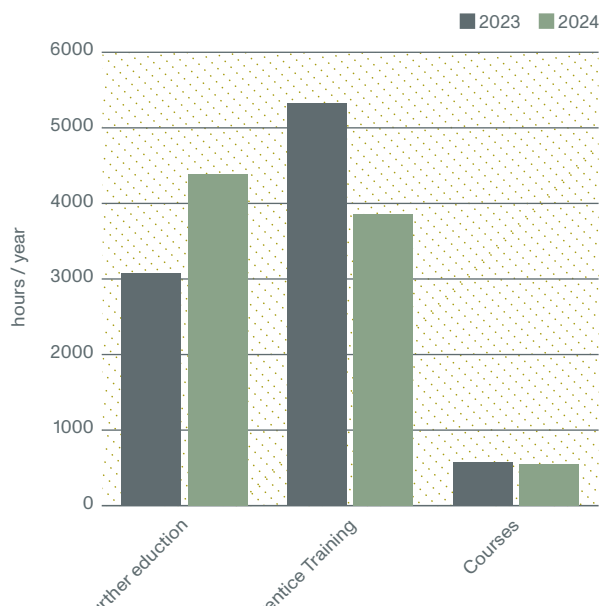
Landqart AG places great value on the professional and personal development of its employees. The Human Resources department and individual specialist departments regularly evaluate current and future development needs. This is reflected internally through continuing education for existing employees and externally through appropriate recruitment.

Training and continuing education have a lasting positive impact on the company and its employees. They increase the employability of employees. They increase motivation and satisfaction because employees feel valued and supported.

- They contribute to innovation, as new insights and modern methods are incorporated into everyday work.
- They strengthen our competitiveness by staying at the cutting edge of technology.
- They increase employee retention, because employees who receive support are more likely to identify with the company.
- They improve our adaptability to technological and economic changes.
- They strengthen the corporate culture by establishing a culture of learning and development.

Continuing education includes internal and external training for employees, while apprenticeships represent the vocational training of apprentices in various professions. Courses are internal training courses, such as ASGS training (Occupational Health and Safety).

### Annual number of hours for further education and training



Compared to the previous year, employees spent more hours on continuing education (+42 %), whereas the number of hours spent on vocational training decreased (– 28 %) because we had fewer apprentices in 2024. The number of hours spent on internal courses remained virtually unchanged (– 4 %).

Landqart AG offers the following apprenticeships:

- Plant Operator (EFZ)
- IT Specialist (EFZ)
- Design Engineer (EFZ)
- Business Administrator (EFZ)
- Logistics Specialist (EFZ)
- Paper Technologist (EFZ)
- Production Mechanic (EFZ)
- Plant and Equipment Engineer (EFZ)

EFZ = Federal certificate of proficiency

In 2024, we had a total of 12 apprentices who chose us as their training company to complete a three- or four-year apprenticeship.

The apprenticeships for Production Mechanic (EFZ) and Plant and Equipment Engineer (EFZ) could not be filled due to a lack of applications.

Six apprentices successfully completed their training in 2024. Four of the graduates decided to continue working at Landqart AG. The others began further training immediately afterwards.

In addition to our apprentices, our qualified specialists also receive individual, basic training as part of their induction program. These include, among others, the use of aerial work platforms, crisis management, use of fall protection equipment (PPE), training in “safe air freight from known consignors,” hazardous areas when unloading trucks, and training as a company paramedic.

To discuss further professional development and define appropriate measures and goals, as well as to assess performance and behaviour, all managers hold a meeting with their employees once a year.



# Company Health Management

GRI 3-3, 403-1 to 403-10

Strategic Goal	Measures in the reporting year	Progress of target achievement	Justification
We support the health of our employees to reduce absences due to illness and accidents by 10 % by 2027 (base year 2024).	<ul style="list-style-type: none"> <li>– Safety (ASGS) training</li> <li>– Provision of PPE                             <ul style="list-style-type: none"> <li>– personal protective equipment</li> </ul> </li> <li>– Ergonomic workstations</li> <li>– Discount for gym memberships</li> <li>– Contact person for discrimination, bullying, psychosocial risks, and protection of personal integrity</li> </ul>	partly achieved / on course 	<ul style="list-style-type: none"> <li>– Lost hours due to work-related accidents were higher than in the previous year. Lost hours due to occupational accidents decreased. Workstations are being continuously converted to ergonomic workstations.</li> </ul>

Occupational health management has a variety of positive effects on employees and the company: It contributes to increased satisfaction through appreciation, reduces absenteeism and illness-related costs, and increases productivity by ensuring that employees are healthy, balanced, productive, more resilient, and better able to cope with stress. This contributes to increased employee retention and a positive corporate culture, as well as enhancing our reputation.

Shift work and environments with a certain noise level are stress factors. We place great importance on adhering to rest periods and requiring all employees in the production area to wear hearing protection.

### Occupational Health Services

To promote the health of our employees, we provide certain occupational health services. Landqart AG takes this responsibility very seriously. The HR department informs all shift employees and ensures regular medical examinations by the company's medical examiner. Depending on the findings, we work with the employee to implement appropriate measures.

### Occupational Health and Safety

To ensure good occupational health management, employees must know how to behave in different situations. Therefore, all new employees attend the basic training course "Occupational Safety, Health, Fire, Environmental Protection, and Product Safety" (ASGS). All female employees are also informed about their rights and responsibilities in the "Maternity Protection at Work" course.

The ASGS training informs all employees about the safety precautions that must be observed. Employees are also advised that they can contact their supervisors at any time to report any deficiencies.

Feedback is taken seriously, and appropriate action is taken. It is important that everyone involved can contribute to finding a common solution. The company's occupational safety officer may also be consulted.

The occupational safety officer regularly assesses potentially dangerous situations. Potential hazards are discussed with the relevant departments, and solutions are developed. These are communicated to everyone working in the hazardous area, including the correct behaviour.

The safety of all employees is our top priority. Therefore, all employees are required to wear personal protective equipment (PPE) where required. PPE is issued on the first day of work, depending on their role. Additional protective equipment is available in the departments and is regularly checked for functionality and replaced as needed (e.g., welding helmets and eyewash stations).

Regular prevention campaigns are conducted in collaboration with the Swiss Accident Insurance Fund (SUVA). These campaigns address hazards in both the work and private environment. Employees are also reminded that they must act responsibly and report dangerous situations immediately.

When purchasing new office furniture, measures such as height-adjustable desks are installed, individually adjustable office chairs are used, and good lighting conditions are created.

In 2024, there were 12 occupational accidents (CO), which corresponds to three fewer accidents than in the previous year. After each accident, a briefing takes place with all those involved to identify the causes of the accident and to eliminate/minimize sources of danger for the future with appropriate measures.

Following a SUVA campaign focusing on accident risks in the private sector, non-occupational accidents (NCOs) were also reduced compared to the previous year.

Accident-related absences (CO and NCOs) decreased by 6 % (137 hours) from 2023 to 2024. Although there were three fewer occupational accidents (COs)

in 2024, the number of hours lost is higher due to longer convalescence periods.

Accidents remain at a low level. Landqart AG ranked among the top 25 % in the industry in 2024. This applies to both COs and NCOs.

### Recognized occupational and non-occupational accidents and the resulting lost hours

	2023	2024
Occupational accidents (CO)	15	12
Non-occupational accidents (NCO)	26	19
Lost hours due to CO	870	2 536
Lost hours due to NCO	2 259	456


No work-related illnesses were reported to us by sickness benefit insurers in 2024.

In 2024, no fines or penalties were imposed for human rights violations involving our own workforce.

# Governance

## Digitalisation

GRI 3-3

Strategic Goal	Measures in the reporting year	Progress of target achievement	Justification
Implementing the digital roadmap until 2030 to support work processes systematically and digitally and thus increase efficiency	Automation of data-based process control. Networking of process data (collection, analysis, evaluation)	on course 	ERP/MES evaluation started, but not yet completed. Resource bottleneck, further preparatory work required.

### Implementation of a new ERP/MES system

An ERP software system consists of a series of integrated applications or modules for managing key business processes. ERP modules are integrated into a complete system and use a common database to optimize processes and information across the company. An integrated MES (Manufacturing Execution System) manages manufacturing operations more efficiently.

The evaluation for a new ERP/MES system began in 2024. Existing processes were recorded and requirements defined. A comprehensive market research study was conducted, and potential vendors were invited to present their solutions. Six vendors were evaluated in an initial assessment. Due to an additional interim assessment, the original schedule was delayed. The final selection round is planned for 2025.



By merging older systems into a modern ERP/MES system, we expect more efficient and accurate data entry and analysis.

### Data-Driven Organization

As part of the data-driven organization initiative, the most important topics were defined and analysed. A central platform was established that serves as a communication hub between the systems and connects them. The most important systems are currently being connected to the platform. This enables the creation of meaningful reports and forecasts based on production data, which, however, still need to be correlated.

# Supply chain management (incl. anti-corruption and human rights)

GRI 3-3, 205-1 to 205-3, 308-1 to 308-2, 407-1, 408-1, 409-1, 414-1, 414-2

Strategic Goal	Measures in the reporting year	Progress of target achievement	Justification
We still have no corruption cases.	Compliance with Landqart AG's code of conduct by asking suppliers to sign it.	achieved 	In 2024 we had no corruption cases
By 2027, the most important suppliers will have signed the Code of Conduct and by 2030 all critical suppliers will be audited for child labour	Exchange with suppliers	on course 	Child labour isn't relevant for most of our suppliers. Coordination is underway with the remaining suppliers.

Our main raw material – cotton combers and linters – is associated with various risks along the value chain. Conventional cotton has high water consumption and requires extensive pesticide use. This has negative environmental impacts. Cotton is also often grown in countries where child labour is used and where corruption risks are higher. To minimize these risks in our supply chain, we use self-reporting.

Supply chain management (SCM) involves planning, controlling, and continuously optimizing the entire flow of materials, information, and finances along the supply chain – from the raw material supplier to the end customer.

A functioning supply chain requires the coordinated interaction of various departments. One of these key departments is Procurement. The task of the Procurement team is to ensure all required materials, goods, and services in the right quantity and quality, at the right time, and at optimal cost. This includes the selection, evaluation, and support of suitable suppliers, as well as the negotiation of commercial terms.

In the area of security features, products or suppliers are often already specified by the customer, and in these cases, there is little or no flexibility regarding

supplier selection. However, if responsibility for feature selection lies with Landqart AG, a systematic and evaluative market analysis is carried out. Various aspects are considered in the supplier selection process, including:

- Political and legal frameworks of the production countries
- Respect for human rights and rejection of corruption
- Decent workplaces
- Compliance with our Code of Conduct (CoC)

We also evaluate whether the supplier manufactures its products in a way that is both economical and environmentally friendly. These include:

- Resource-efficient production
- Environmentally friendly waste disposal
- Use of environmentally friendly means of transport

We work closely with our suppliers and, where possible consolidate orders so that our production materials are delivered in full trucks to avoid additional environmental impact.

The supplier's technical suitability is also reviewed. All specified parameters and tolerances must be adhered to ensure delivery of a technically flawless product.

Compliance with the established criteria, as listed above, is regularly verified through audits, self-disclosures, and test deliveries.

To date, no cases of child labour or corruption have been identified.

### **Responsible Procurement**

As part of our sustainable procurement activities, we maintain regular communication with our suppliers. We place great value on trust, transparency, and shared responsibility along the supply chain to ensure that our supply partners meet our expectations regarding social and environmental standards. We use self-disclosures to review aspects such as working conditions, compliance with fundamental human rights, environmental awareness, and safety standards. This enables us to identify potential risks early on and develop solutions together.



# About this report

## Scope and reporting period

GRI 2-2, GRI 2-3

This sustainability report covers the period from January 1, 2024, to December 31, 2024. The report covers only Landqart AG; there are no other entities.

## Applied Standards

Landqart AG reports in accordance with OR964 and based on GRI.

## Memberships

GRI 2-28

### International

- International Association of Currency Affairs
- International Currency Association
- Switzerland Global Enterprise

### National / local

- Bundesverband Materialwirtschaft, Einkauf und Logistik e.V. (BME)
- Schweizerische Management Gesellschaft
- Verband Schweizerischer Papier-, Karton- und Folienhersteller (SPKF)
- Swiss Association for Quality
- UGRA Swisstesting AG
- Schweizerischer Vereinigung Gernsbacher Papiermacher (SVGP)
- Förderverein KMU
- Verschiedene Vereine und Interessengemeinschaften für Berufs- und Weiterbildung

Landqart AG is certified according to the following management systems:

- ISO 50001 – Energy Management
- ISO 45001 – Occupational Safety and Health
- ISO14001 – Environmental Management
- ISO9001 – Quality Management System
- Intergraf 15374 – Security Management System for Suppliers to the Security Printing Industry

In addition, Landqart AG's substrates are certified Halal and Kosher.

## Data Collection Methods

The data used in this report are based on analyses by external experts or internal statistics.

## List of Abbreviations

ANU	Office for Nature and Environmental Protection
ASGS	Occupational Safety, Health, Fire, Environmental Protection, and Product Safety
CO	Occupational Accident
cbm	Cubic Meter
CCF	Corporate Carbon Footprint
CO <sub>2</sub>	Carbon Dioxide
CO <sub>2</sub> e	CO <sub>2</sub> Equivalent
CoC	Code of Conduct
EFZ	Federal certificate of proficiency
ERP	Enterprise Resource Planning
ESRS	European Sustainability Reporting Standard
GHG	Protocol Greenhouse Gas Protocol
GRI	Global Reporting Initiative
ISO	Internationale Organisation für Normung
kWh	Kilowatt Hours
MES	Manufacturing Execution System
NCO	Non-Occupational Accident
PPE	Personal Protective Equipment
PM1	Paper Machine 1
SBTi	Science Based Targets Initiative
SCM	Supply Chain Management
SUVA	Swiss Accident Insurance Fund VR Board of Directors
WWTP	Wastewater Treatment Plant

GRI-Standard		Reference / Information / Omission
GRI 2 General Disclosures		
The organization and its reporting practices	2-1 Organizational details	Impressum page 29
	2-2 Entities included in the organization's sustainability reporting	About this report page 24
	2-3 Reporting period, frequency and contact point	About this report page 24 Impressum page 29
	2-4 Restatements of information	<i>This is the first sustainability report, there are no corrections.</i>
	2-5 External assurance	<i>This report has not been audited externally</i>
Activities and workers	2-6 Activities, value chain and other business relationships	About Landqart page 6
	2-7 Employees	Social page 17 <i>The number of employees is to be understood as the average for the reporting period. Other information is actual figures.</i>
	2-8 Workers who are not employees	<i>Landqart AG does not employ any workers who are not employees.</i>
Governance	2-9 Governance structure and composition	Sustainability governance page 8
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability governance page 8
	2-13 Delegation of responsibility for managing impacts	Sustainability governance page 8
	2-14 Role of the highest governance body in sustainability reporting	Sustainability governance page 8
	2-17 Collective knowledge of the highest governance body	Sustainability governance page 8
Strategy, policies and practices	2-22 Statement on sustainable development strategy	Foreword page 5 Sustainability governance page 8 Environment page 12 Social page 17 Governance page 21
	2-23 Policy commitments	Sustainability governance page 8 Supply chain management page 4
	2-24 Embedding policy commitments	Sustainability governance page 8
	2-26 Mechanisms for seeking advice and raising concerns	<i>Landqart AG has no whistleblowing mechanisms</i>
	2-27 Compliance with laws and regulations	<i>There were no violations of laws or regulations during the reporting year. No fines were imposed.</i>
	2-28 Membership associations	About this report page 24
Stakeholder engagement	2-29 Approach to stakeholder engagement	Stakeholder Engagement & partnerships page 9

GRI-Standard		Reference / Information / Omission
Material topics	3-1 Process to determine material topics	Sustainability strategy & materiality analysis page 11
	3-2 List of material topics	Sustainability strategy & materiality analysis page 11
	3-3 Management of material topics	Climate and Energy page 12 Water page 15 Sustainable products page 16 Employee Training page 17 Company Health Management page 19 Digitalisation page 4 Supply chain management page 22
Anti-corruption	205-1 Operations assessed for risks related to corruption	Supply chain management page 22
	205-2 Communication and training about anti-corruption policies and procedures	
	205-3 Confirmed incidents of corruption and actions taken	
Materials	301-1 Materials used by weight or volume	About Landqart page 6 <i>Due to trade secrets, we cannot provide detailed information on specific materials used.</i>
	301-2 Recycled input materials used	The value chain of Landqart AG page 6
	301-3 Reclaimed products and their packaging materials	Sustainable products page 4
Energy	302-1 Energy consumption within the organization	Climate and Energy page 12
	302-2 Energy consumption outside of the organization	We do not currently record energy consumption outside our organization
Water and Effluents	303-1 Interactions with water as a shared resource	Water page 15
	303-2 Management of water discharge-related impacts	Water page 15
	303-3 Water withdrawal	Water page 15
Emissions	305-1 Direct (Scope 1) GHG emissions	Climate and Energy page 12
	305-2 Energy indirect (Scope 2) GHG emissions	Climate and Energy page 12
	305-3 Other indirect (Scope 3) GHG emissions	Climate and Energy page 12
	305-5 Reduction of GHG emissions	Climate and Energy page 12
Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Supply chain management page 22
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply chain management page 22

GRI-Standard		Reference / Information / Omission
Occupational Health and Safety	403-1 Occupational health and safety management system	Company Health Management page 19
	403-2 Hazard identification, risk assessment, and incident investigation	Company Health Management page 19
	403-3 Occupational health services	Company Health Management page 19
	403-4 Worker participation, consultation, and communication on occupational health and safety	Company Health Management page 19
	403-5 Worker training on occupational health and safety	Company Health Management page 19
	403-9 Work-related injuries	Company Health Management page 19
	403-10 Work-related ill health	Company Health Management page 19
Training and Education	404-1 Average hours of training per year per employee	Employee Training page 17
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training page 17
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Training page 17
Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply chain management page 22 <i>This will be checked as part of the supplier selection process.</i>
Child Labour	408-1 Operations and suppliers at significant risk for incidents of child labour	Supply chain management page 22
Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supply chain management page 22
Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Supply chain management page 22
	414-2 Negative social impacts in the supply chain and actions taken	Supply chain management page 22

# Index for non-financial reporting

(Art. 964 of the Swiss Code of Obligations)

Art. OR 964b Content requirements		Reference / Information
Description of the business model		About Landqart page 6
Climate disclosures (incl. CO <sub>2</sub> -targets)	Policies and applied due diligence	Climate and Energy page 12 Wasser page 15
	Measures and their effectiveness	ISO 14001 – Environmental Management page 12 Climate and Energy page 12 Wasser page 15
	Significant risks along the value chain	Climate and Energy page 12 Energy page 14 Supply Chain Management page 22
	Relevant non-financial key figures	Emission page 12 Energy consumption page 14 Water consumption page 15
Social and employee disclosures	Policies and applied due diligence	Employee Training page 17 Company Health Management page 19
	Measures and their effectiveness	Employee Training page 17 Company Health Management page 19
	Significant risks along the value chain	Employee Training page 17 Company Health Management page 19 Supply chain management page 22
	Relevant non-financial key figures	Employee Training page 17 Company Health Management page 19
Respect for human rights	Policies and applied due diligence	Supply chain management page 22
	Measures and their effectiveness	Supply chain management page 22
	Significant risks along the value chain	Supply chain management page 22
	Relevant non-financial key figures	Supply chain management page 22
Anti-corruption and governance	Policies and applied due diligence	Supply chain management page 22
	Measures and their effectiveness	Supply chain management page 22
	Significant risks along the value chain	Supply chain management page 22
	Relevant non-financial key figures	Supply chain management page 22
References to national, European or international regulations		About this report page 24
Coverage of subsidiaries		About this report page 24
Art. OR 964 j-I Content requirements		
Conflict minerals and metals		The use of conflict minerals is queried in connection with supplier qualification by means of self-disclosure.
Child labour		Supply chain management page 22



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