FRANKE

SUSTAINABILITY REPORT 2025

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Sustainability at Franke

About Franke

Franke is a leading global supplier of products and services for residential kitchens, the foodservice and convenience store segments, and the professional coffee-making industry. The company employs around **7,600 people worldwide** and achieved net consolidated sales of **CHF 2.05 billion** in 2025.

Divisions

Franke Home Solutions

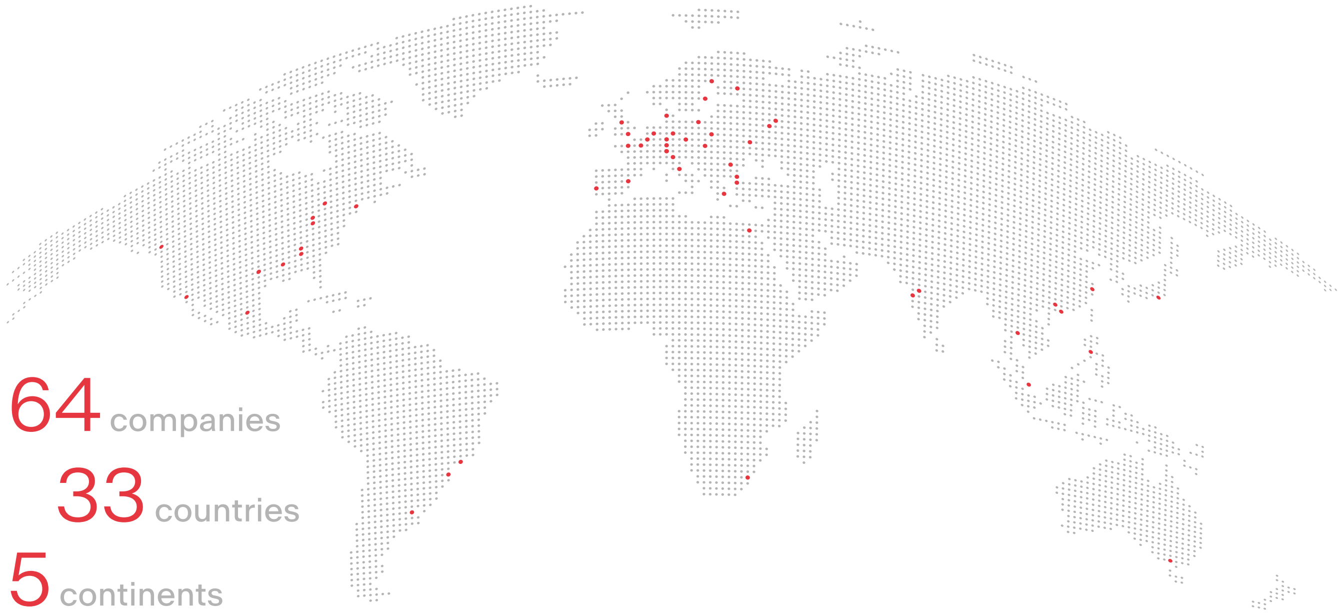
Intelligent systems and integrated solutions for residential kitchens, including sinks, taps, worktops, hoods, kitchen appliances, and accessories, waste management systems, and water and indoor air quality treatment products. It further serves as an OEM supplier, providing bespoke solutions to customers worldwide.

Franke Foodservice Systems

Innovative facilities and equipment solutions for quick-service restaurants and convenience stores, supported by design, project management, resupply, and aftermarket services.

Franke Coffee Systems

State-of-the-art coffee solutions for professionals, including fully automatic and semi-automatic machines, traditional machines through its Dalla Corte brand, as well as advanced digital solutions and add-on units.



64 companies

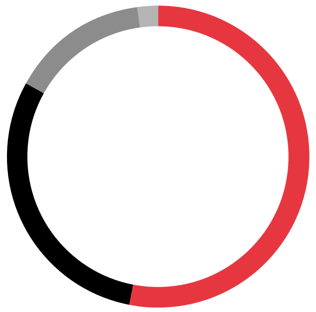
33 countries

5 continents

CHF **2047M** net sales

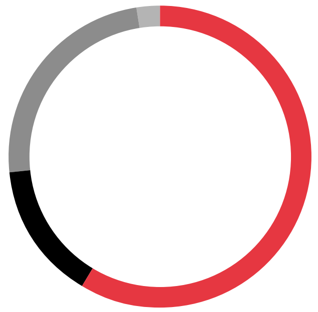
CHF **56.6M** investments

Net sales by region

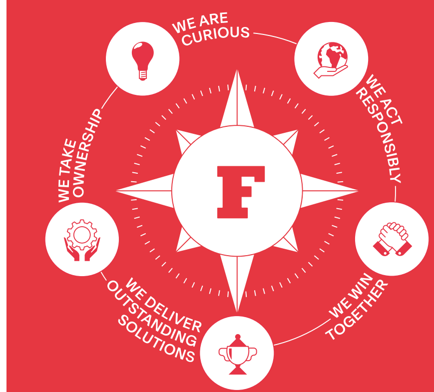


	%
Europe	53.3
The Americas	29.8
Asia/Oceania	14.8
Africa/Middle East	2.1

Headcount by region



	%
Europe	58.6
The Americas	14.8
Asia/Oceania	24.2
Africa/Middle East	2.4



Our core values:

- We deliver outstanding solutions
- We win together
- We are curious
- We take ownership
- We act responsibly

Hello, from our CEO

Dear Readers,

At Franke, we transform change into opportunities to shape a better living. This purpose guides us in today's dynamic landscape. Supported by our core values, it keeps us agile and powers our innovation.

It also helps us respond to factors beyond our control, and in 2025, there were many: fragile supply chains, volatile energy markets, and global inflation, against a backdrop of geopolitical tension and climate change. To navigate these challenges, we continued making smart choices, harnessing our ability to adapt for future resilience. For Franke, this means prioritising environmental and social goals alongside responsible growth. By investing in our people, culture, and technology, we strengthen our market position. And by letting the needs of people and the planet shape our decisions, we contribute to a better future.

Going green: 73% of our electricity consumption came from renewable sources in 2025.

Year on year, we've been refining our environmental approach. In 2025, 73% of our electricity came from renewable sources, up from 54% in 2024. Almost one-tenth of this was self-generated through our own solar photovoltaic systems. This helped us cut our Scope 2 emissions by 14.1%. Over the longer term, it will boost our energy security and reduce energy costs.

Our progress was recognised by the global environmental disclosure platform CDP, raising our Supplier Engagement Assessment score from D to A. This reflects a clear shift from awareness to action. Another sustainability platform, EcoVadis, also upgraded our rating, from Bronze to Silver, across environmental matters, sustainable procurement, labour and human rights, and business ethics.

Our commitment to creating high-quality, resource-efficient solutions continues to shape our progress. In 2025, we advanced several initiatives that improved the efficiency and sustainability of our products, contributing to a 20.2% reduction in our Scope 3 emissions. Our self-engineered HeatGuard insulation for coffee machines, for example, cuts energy loss by up to 44%. We also continued incorporating recycled or recyclable materials into our products and packaging. Over 90% of the 17,000 metric tons of packaging we used during the year came from renewable sources.

We couldn't achieve environmental progress without our people. Their dedication to going the extra mile helps us adapt to change and develop outstanding solutions. To support them, we continue to develop our "One Franke" approach, built on four strategic priorities – One Strategy, One Brand, One Culture, and One Planet – which together guide how we grow as an organisation. We invest across all levels, from interns and apprentices to managers and leaders. We offer compelling career paths for those who want to grow. In 2025, 29% of our vacancies were filled by internal promotions. Our long-term goal is 40%.

Our people give us the edge, supported by our "One Franke" approach.

As well as creating opportunities for growth, we commit to keeping our people safe, prioritising health and safety above all else. We've set an ambitious goal of zero accidents and are making good progress on this. In 2025, we reduced our work accident rate by 32%, building on a similar impressive performance in 2024.

Our engagement in a clean cooking initiative in Cambodia helped over 39,000 people switch to healthier cookstoves.

Despite tough market conditions, we remain committed to making a difference in our communities and beyond. Our engagement in SNV's clean cooking initiatives in Cambodia and Nepal demonstrates these values in action. By the end of 2025, more than 39,000 people in Cambodia's Smoke-Free Village project were benefiting from safer, smoke-free (or primarily smoke-free) cooking. With Franke's support, this impact is now expanding to Nepal.

Facing global uncertainty with strength and resilience.

Looking ahead, we expect global uncertainty and tough market conditions to persist. Even so, our spirit, determination, and agility will keep us moving forward. This sustainability report shows what we can achieve when we stay focused on our goals and values. Our commitment to people, the planet, efficiency, and innovation will continue to guide us toward a more sustainable way of living.

Patrik Wohlhauser
CEO Franke Group

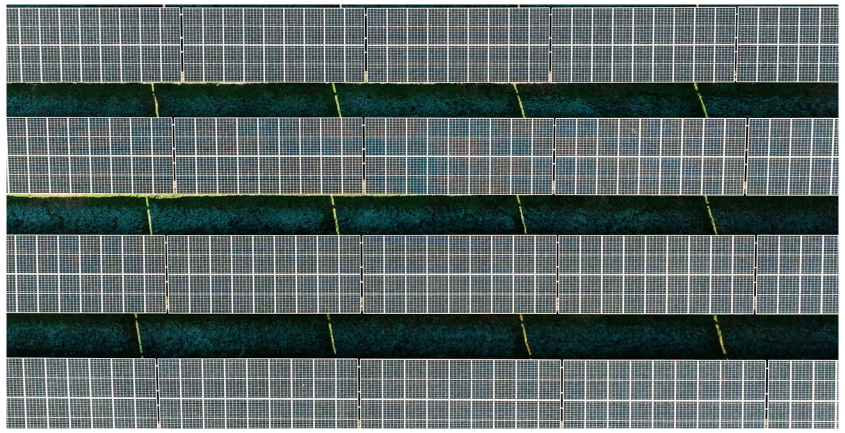
2025 at a glance

Environment

Minimising our lifecycle impact on the planet

72.5%

of our electricity consumption came from renewable sources, up from 54.2% in 2024, as we expand our solar PV installations and purchase more renewable energy certificates.



9.2%

reduction in our Scope 1 & 2 CO_2e emissions compared to 2024, as we continue to target energy efficiency measures and renewable energy use.

'A'

CDP score for supplier engagement, up from 'D' in 2023, as we advance our sustainable procurement approach.

Supplier Engagement Leader
CDP
2025

Our People

Enabling, engaging, and empowering our employees at all levels

31

new apprentices joined Franke to gain hands-on experience in a dynamic environment as we help shape the next generation of talent.

32%

decrease in our work-related accident rate as our Safety First programme continues to reinforce smarter, safer ways to operate.

Society

Being a good corporate citizen

39,000+

people in Cambodia switched to smoke-free cooking by the end of 2025 through the Smoke-Free Village project that Franke supports. With Franke's funding, the project also expanded to Nepal.

Material topics and strategy

Our aim at Franke is to grow responsibly. To achieve this, our decisions are shaped by the needs of people and the planet. By making responsible choices every day, we build a strong, future-ready business that benefits everyone.

Our strategy

At Franke, sustainability is not a standalone agenda; it is embedded in how we operate, make decisions, and create long-term value. We believe that understanding and managing our impacts is essential to strengthening our business and contributing positively to the world around us.

Our sustainability approach focuses on three key areas: environment, people, and society. Across these, we work to reduce emissions throughout our value chain; ensure a safe, fair, and supportive workplace for our people; and contribute to communities through responsible products, partnerships, and initiatives.

Sustainability, referred to as "One Planet" at Franke, is a strategic priority at the highest level of the organisation. This is reflected in our Group ambitions, where two of our five core goals are to achieve net-zero emissions and zero accidents. This underlines that sustainability is not separate from our strategy, but a fundamental driver of responsible, safe, and sustainable growth. As such, One Planet is a core pillar of our 'One Franke' ambition for 2030 and beyond.

Identifying our material topics

To determine where we can make the greatest impact, we conducted a double materiality assessment in 2022 and 2023. This helped us identify five priority (material) topics which reflect our most significant impacts and the external factors that could affect our business:

- Climate and energy
- Resource use and circularity
- Safety and occupational health
- Education and training
- Product responsibility and sustainable innovation

We address each topic in this report, and full details of the materiality assessment are provided on pages 72-73 of the Franke Group Sustainability Report 2023.

Environment

We want to reach net zero by 2050 across our production operations and entire value chain – and reduce our emissions from production and purchased energy by 56% by 2030 compared to 2020.

Minimising our lifecycle impact on the planet

Our People

We want to provide a work environment that is engaging and inclusive – one that empowers our diverse employees to learn and do their best work every day.

Enabling, engaging, and empowering our employees at all levels

Society

We want to make significant contributions to key societal needs and the well-being of communities. Our approach to product responsibility and sustainable innovation plays an important role in this.

Being a good corporate citizen

GOVERNANCE

Governance

Our sustainability strategy reinforces our ongoing commitment to the United Nations Global Compact (UNGC), of which Franke has been a member since 2011. As part of this commitment, we align our strategies and operations to its principles on human rights, labour, environment, and anti-corruption. Furthermore, our material topics guide our strategic planning, priorities, and reporting framework. Further information on Franke's governance is provided in Appendix I and our GRI Context Index.

Environment

Climate and energy

The science is clear: we face a rapidly closing window to limit global temperature rise to 1.5°C. We must all step up and take responsibility for our environmental impacts to protect the planet for future generations. Over the past year, we continued embedding our One Planet mindset across the organisation, steered by our lasting value, 'We act responsibly'. Robust emissions targets, verified by the Science Based Targets initiative (SBTi), chart our progress.

Climate change: impacts, risks, and opportunities

Climate change isn't a future problem; it affects our business today. From extreme weather events and stricter regulations to new opportunities for innovation and improvement, climate change is shaping how we work.

Physical risks

As the physical effects of climate change intensify, it is crucial to monitor the risks across our global operations. We do this to keep our employees safe and minimise operational disruptions. Assessments based on AXA risk and climate modelling show that while most of Franke's sites fall into lower risk categories, a smaller portion faces moderate to elevated exposure to storms, flooding, heat extremes, and other natural hazards. These assessments are used as input for Franke's business contingency plans. Updated annually, these plans are designed to ensure a rapid, competent response in case of climate (or other) events.

Transitional risks

The transition to a low-carbon economy is shaped by evolving regulations, with added complexity from regional variations.

We invest resources in monitoring, preparing for, and ensuring compliance with current and future regulations. Franke's proactive approach helps mitigate risks associated with not fully meeting requirements, including potential reputational damage and loss of market share. Current and emerging regulations affecting Franke include:

- **EU Ecodesign for Sustainable Products Regulation (ESPR)**
  This requires the integration of environmental considerations into product designs to improve environmental performance across the entire product lifecycle. Since it applies to almost all categories of physical goods in the EU market, it is highly relevant for Franke.

- **EU Deforestation Regulation (EUDR)**
  Deforestation is one of the biggest contributors to climate change and biodiversity loss. To tackle this, the EUDR aims to promote the use of deforestation-free products and reduce the EU's contribution to global deforestation by imposing certain rules on a range of products. For Franke, this mainly impacts our products containing wood.

- **EU Packaging and Packaging Waste Regulation (PPWR)**
  The EU PPWR sets targets and requirements for the entire lifecycle of packaging, from raw material to final disposal. Franke's packaging mostly comprises cartons/cardboard, wood (pallets), and plastics – all categories included in the regulation.

- **EU Corporate Sustainability Reporting Directive (CSRD)**
  Franke will report under CSRD from 2028, with the first report published in 2029. While the CSRD reporting requirements were significantly reduced through the 2025 Omnibus Proposal, ensuring compliance with the regulation will still require extensive planning and resources.

Opportunities

Global interest in products that use fewer resources, such as energy and water, continues to increase. This presents clear opportunities for a forward-looking company like Franke. We design and deliver high-quality, innovative products that meet our evolving customer values and support our environmental aims. Our ethos is to transform change into opportunities to shape a better living. We demonstrate our latest innovations supporting climate goals in the chapter 'Product responsibility and sustainable innovation'.

Recognition of our environmental progress

SILVER | Top 15%
ecovadis
Sustainability Rating
JUL 2025

EcoVadis awarded the Franke Group a Silver rating for 2025, advancing from Bronze in 2024.[1]
This globally recognised sustainability rating assesses companies' performance across four key topics: environment, labour and human rights, ethics, and sustainable procurement. Our environmental score (83/100) reflects Franke's increasingly robust approach to environmental management in line with our One Planet strategy. See Appendix I, page 58, for further details and methodology information on our EcoVadis recognition.

Supplier Engagement Leader
CDP
2025

We also raised our CDP Climate Change Score from C to B, and our CDP Supplier Engagement Assessment (SEA) score from D to A.[2]
CDP is a global environmental disclosure platform that assesses companies' disclosures and actions on climate change, water security, and deforestation. These improvements reflect our transition from awareness to action across our own operations and in our engagement with key suppliers.

1 In 2026, Franke Group received an EcoVadis Bronze rating following the annual reassessment process. The Silver rating reported here relates to the 2025 assessment period.
2 CDP's Supplier Engagement Assessment (SEA) was known as 'Supplier Engagement Rating' (SER) in 2023.

Progress towards our emissions reduction targets

In 2025, we made progress towards our near-term and net-zero emission reduction targets, which were validated by the Science Based Targets initiative (SBTi) in 2024. These targets establish clear goals for reducing our emissions across our operations and value chain:

By 2028, 74.0% of Franke's largest customers (by emissions from the use of sold products) will have science-based targets.

By 2030, reduce absolute Scope 1 and 2 GHG emissions by 56.0% from a 2020 base year*.

By 2033, reduce absolute Scope 3 GHG emissions from our priority categories: purchased goods and services, capital goods, and upstream transportation and distribution by 32.5% from a 2020 base year.

By 2050, reduce absolute Scope 1, 2, and 3 GHG emissions by 90% from a 2020 base year*.

*The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

Our approach prioritises reducing emissions across all scopes. We focus first on lowering emissions from our own operations (Scope 1 and 2), while advancing engagement and action across our value chain (Scope 3), which represents the majority of our carbon footprint. Any residual emissions will be neutralised in line with SBTi criteria on our path to net zero.

During the year, we achieved greater reductions than projected for Scopes 1 and 2. While we also saw an overall reduction in our Scope 3 emissions, performance did not meet our projected Scope 3 trajectory for 2025. The highest Scope 3 reductions took place in 'Use of sold products', which is not included in our near-term (2033) target. See Scope 3 emissions, page 23, for the full values.

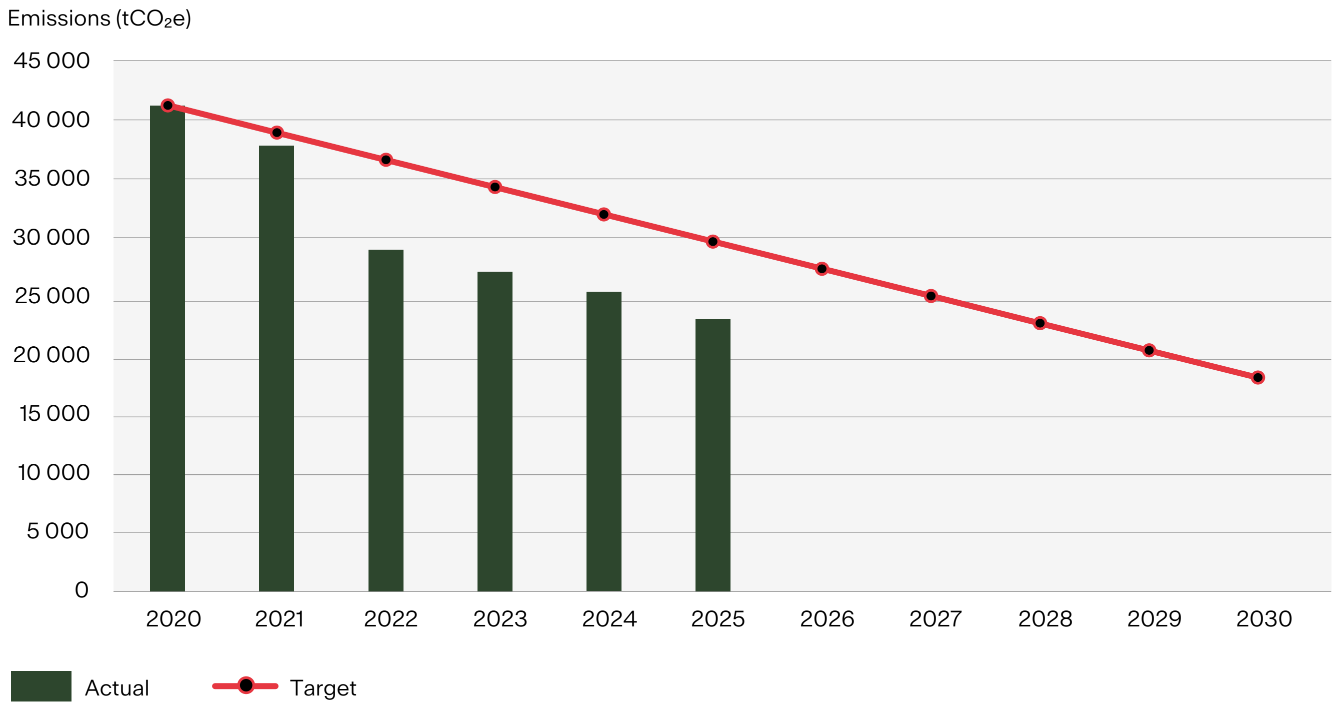
CO_2e emissions 2025 vs. SBTi net-zero targets

IN METRIC TONS CO_2e	2025	TARGET VALUE 2025 ACC. TO SBTi	DIFF. 2025/TARGET VALUE
Scope 1*	8 708	11 957	-27.2%
Scope 2	14 365	23 079	-37.8%
Scope 3 (categories 1, 2, 4 & 11)	15 137 386	14 750 304	2.6%
Total CO_2e emissions	**15 160 459**	**14 785 341**	**2.5%**

*The biogenic emissions related to CO_2 from our wood-chip heating system accounted for 1,299 metric tons of CO_2 in 2025 and 1,383 metric tons of CO_2 in 2024. According to the Greenhouse Gas Protocol, these are not part of Scope 1 but should still be disclosed.

Scope 1 and 2 emissions

Target and actual emissions (Scope 1 and 2) reduction pathway



Our Scope 1 emissions are generated by the consumption of fuel to power our machinery, equipment, and company-owned vehicles. Sources include natural gas, gasoline, diesel, and heating oil. For the full list, see Franke's energy consumption in gigawatt-hours, page 22.

Our Scope 2 emissions are generated by our electricity consumption from the grid (which is a mix of non-renewable and renewable electricity) as well as the purchase of district heating.

9.2%
reduction in Scope 1 and 2 emissions, compared to 2024

In 2025, we generated 8,708 tCO_2e of Scope 1 emissions and 14,365 tCO_2e of Scope 2 emissions. Together, they accounted for 0.2% of our total emissions. The remaining 99.8% was attributed to Scope 3, our value chain emissions, described further on page 23.

Franke's Scope 1 emissions increased marginally in 2025, by 0.1% (10 tCO_2e) compared to the previous year. This was the result of three company acquisitions[3] and the inclusion of previously outsourced activities at Franke Home Solutions India (manufacturing cooker hoods).

At the same time, this increase was mostly balanced out by energy switches and efficiency improvements. For example, an upgrade to more energy-efficient forklifts contributed to an overall 80% reduction in Scope 1 emissions at one site, while a switch in heating systems contributed to a 12% reduction at another site. Further details are provided in the section 'Our energy consumption', page 22.

Franke's Scope 2 emissions fell by 14.1% in 2025, a strong achievement considering the Group's overall electricity consumption increased (0.4%) following the acquisition of three new entities. Key actions supporting this reduction are detailed in the next section.

3 WESCO AG and berbel Ablufttechnik GmbH (September 2024), and Nokite EcoSmart Water Heating Systems (Guangdong) Co. Ltd. (December 2024).

Accelerating our transition to renewable energy

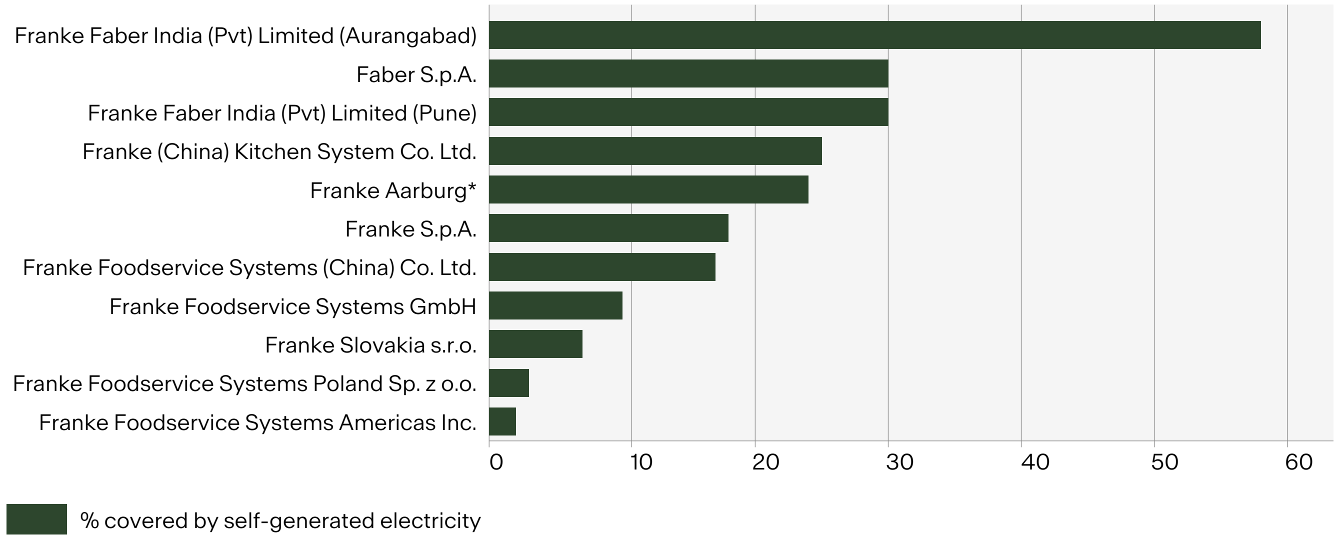
Harnessing more self-generated clean energy is central to our One Planet approach, helping us to reduce our Scope 2 emissions while boosting our energy security and overall resilience.

Through the installation of new solar photovoltaic (PV) systems and expansion of existing ones in 2025, we consumed around 5.9 GWh of renewable self-generated electricity. This covered 9.4% of the Group's consumption needs, up from 5.5% in 2024.

9.4%
of total electricity consumed was self-generated

Our on-site system in India covered more than half of the electricity requirements at their respective sites. In addition, three entities supplied over 1.5 GWh of the electricity they generated back to the grid – equivalent to powering the annual electricity consumption of around 540 homes.[4]

Share of electricity demand covered by on-site solar generation (2025)



* Franke Aarburg represents a campus comprising multiple buildings; the reported percentage reflects the aggregated self-generated electricity coverage across the entire site.

4 Based on an average use per household of 2,500–3,000 kWh per year.

Further measures to reduce our Scope 1 and 2 emissions

Elevating efficiency through Industry 4.0 technologies

In our continuous drive for quality and efficiency, we have deployed 'Industry 4.0' technologies at our state-of-the-art competence centre for stainless steel bowls and sinks in Peschiera, Italy. With a strong focus on automation and digitalisation, a new production control system at the site offers real-time insights into production processes. This allows bottlenecks to be identified and resources to be deployed more effectively, reducing wasted energy consumption by cutting idle machinery time.

Automating our processes also contributed to improved workplace safety, supporting our Safety First approach, which is explored further in the chapter 'Safety and occupational health'.

Technological transformations in China and Poland

A new press line at Franke (China) Kitchen System Co. Ltd. in Heshan, China, is setting new standards for Franke, increasing product quality while making production more efficient. A linear setup allows nearly double the output with fewer presses, while servo-hydraulic technology reduces energy consumption. This upgrade contributed towards a significant reduction in the site's overall energy consumption.

These investments reflect Franke's commitment to working in a smarter, safer, more efficient, and sustainable way; harnessing innovation to boost our productivity responsibly.

Investing in energy-efficient buildings

Environmental considerations are integral to our decisions on equipment, machinery, and building selection. In 2025, Franke Faber India Pvt. Ltd. and the Shared Service Center India relocated into a new office in Pune. The building features strong resource efficiency credentials in both construction and daily operations of the building, and a modern design that encourages collaboration. The move strongly aligns with the One Franke philosophy.

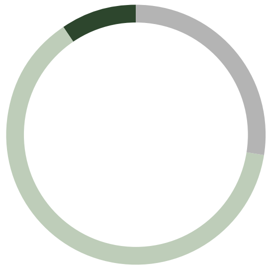
"With this new location, Franke is strengthening its presence in India, offering a modern and attractive working environment, and creating the ideal conditions for continued growth." - Puneet Gupta, Managing Director of Franke Faber India.

Our new Franke Foodservice Systems plant in San Luis Potosí, Mexico also demonstrates how environmental considerations shape our building selection. The plant is partially powered by solar energy and incorporates smart technologies including motion-sensor LED lighting and a smart building management system to improve efficiency.

Our energy consumption

Building on recent years' progress, we reduced our reliance on non-renewable electricity further in 2025, achieving a 37% reduction and increasing the share of renewable electricity we consume to 72.5% of our total electricity mix. Switching to 100% green electricity contracts at multiple Franke entities and the continued expansion of solar installations contributed to this reduction.

Electricity use



	%
Non-renewable	27.5
Renewable purchased	63.1
Renewable self-generated	9.4

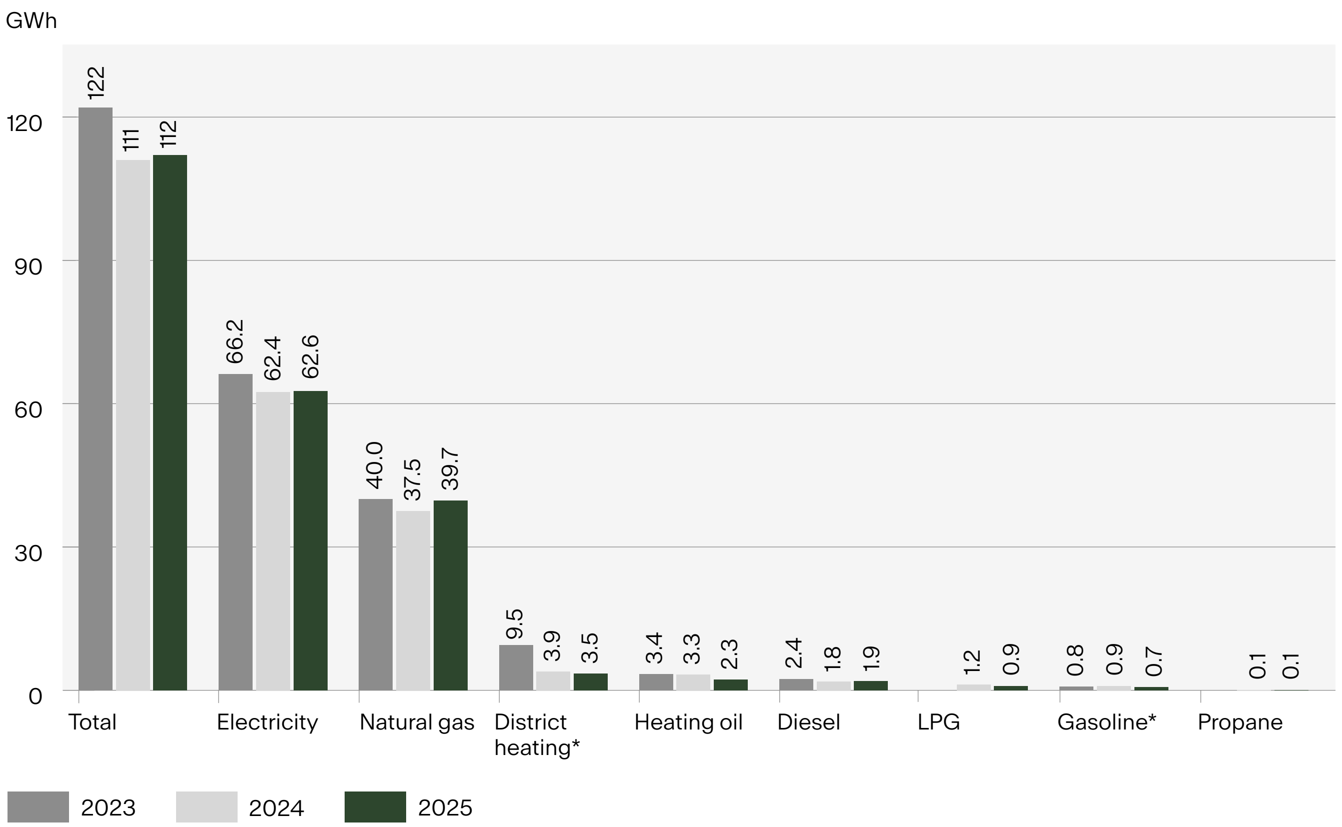
Other energy consumption changes

Overall, Franke's total electricity consumption increased by 0.4% in 2025, largely due to the new acquisitions mentioned earlier.

Our consumption of heating oil, LPG, and petrol decreased, mainly due to switches in energy systems. For example, the switch to a gas-only heating system at Franke GmbH (previously gas and oil) reduced energy consumption by approximately 405 MWh (weather-adjusted). An upgrade to more energy-efficient, propane-powered forklifts at Chain Link Services, LLC, reduced energy consumption by around 137 MWh compared to the previous year, after normalising for changes in business activity. Lastly, a reduction in petrol-powered fleets in China, combined with the fuel switch for the upgraded forklifts, lowered our petrol consumption.

Conversely, consumption of propane, diesel, and natural gas increased, due to these energy switches, with additional reasoning provided in the GRI Content Index 2025, page 7.

Franke's energy consumption in gigawatt-hours



* Note: Propane and LPG cannot be separately reported for 2023

Scope 3 emissions

Most of Franke's emissions are Scope 3 and generated through the use of our sold products (Category 11). In 2025, these accounted for 90.4% of our Scope 3 emissions.

The remaining priority categories of Scope 3 emissions for Franke were as follows:

- The purchase of goods and services (Category 1): 8.8%;
- The capital goods needed for manufacturing our products (Category 2): 0.3%;
- The upstream transportation and distribution of purchased goods, services, and capital goods (Category 4): 0.5%

Franke recorded reductions across all relevant Scope 3 categories in 2025, generating an overall reduction of 20.2% compared with 2024. The largest reduction occurred in the use of sold products category (-3,656,579 tCO_2e), primarily driven by changes in the product mix sold during the year, which led to a lower average emissions intensity per unit.

20.2%
reduction in Scope 3 compared to 2024

Scope 3 CO_2e emissions breakdown

IN METRIC TONS CO_2e	2025	2024	DIFF. 2025/2024
Purchased Goods and Services	1 324 490	1 473 819	-10.1%
Capital Goods	49 045	49 381	-0.7%
Upstream Transportation and Distribution	81 385	106 242	-23.4%
Use of Sold Products	13 682 466	17 339 045	-21.1%
Scope 3 Total	**15 137 386**	**18 968 487**	**-20.2%**

Progress towards our Scope 3 SBTi targets

While we achieved an overall reduction in Scope 3 emissions for 2025, we were slightly behind our near-term SBTi trajectory for the year (5.4% above the target value).

This target covers categories 1, 2, and 4. Two of these categories were behind target, while emissions from the capital goods category were significantly ahead of target, indicating clear reductions in this category. The changes observed across all three categories primarily reflect purchasing volumes and the composition of goods, capital assets, and transport services acquired during the reporting year.

Supporting our customers to set emissions reduction targets

To address the largest and most complex category of our Scope 3 emissions (Category 11), Franke has an additional SBTi target in place: By 2028, 74.0% of Franke's customers (by emissions from the use of sold products) should have their own science-based targets. At the start of the project in 2020, the share was 38.9%. This increased to 62.8% by the end of 2025. To drive further progress on this target, we are engaging with several customers to support and encourage the adoption of Science Based Targets.

Low-emission mobility: electric service vehicles pilot

Reducing emissions from fleet vehicles is a further focus area for the Group. During the year, Franke Coffee Systems in Switzerland piloted the use of electric vehicles for selected service technicians. This initiative has the potential to reduce emissions by an estimated 4.2 tCO_2e per vehicle each year, compared to equivalent diesel vehicles.[5] That's equivalent to driving more than 22,000 km in a diesel-powered vehicle.[6]

To further support the use of low-emission mobility, 18 new charging stations for electric vehicles are now available at the Aarburg site for company vehicles as well as for employees and visitors.

Further measures implemented in the past year to reduce our Scope 3 emissions are detailed in the following chapter 'Resource use and circularity'.

5 Based on estimated annual mileage and average real-world diesel consumption, using DEFRA emission factors for diesel and IEA emission factors for electricity. The resulting avoided emissions are reported as supplementary information and are not included in Scope 1–3 totals.
6 Based on average emissions per kilometre for a medium-sized diesel vehicle, used to derive the equivalent distance.

Resource use and circularity

Reducing our lifecycle impact means thinking about sustainability at every stage of our operations. By optimising our resource use and favouring materials from renewable sources or materials that can be recycled at the end of use, we can help to protect the planet's natural resources and ecosystems.

Franke's value chain

Supply chain		Locations		Products	
Raw materials	Components	Manufacturing	Sales	Product use	End of Life

Franke's value chain is global: our manufacturing plants and offices are located in 33 countries across 5 continents. Key activities in the value chain are shown in the visual above.

Value chain activities per division are detailed in Appendix I, page 58.

Resource use and materials

Serving our global customer base requires a lot of resources. In 2025, we used over 50,000 metric tons of materials to produce and package our products. This volume highlights the importance of responsible sourcing, efficient production methods, and optimising our use of recycled and recyclable materials. Operating at this scale means that even small improvements can make a measurable difference across the Group.

Certified Environmental Management Systems at Franke

To better manage our environmental impacts and drive continuous improvement in resource efficiency and waste management, we utilise certified ISO 14001 Environmental Management Systems. Maintaining this standard helps us enhance the energy efficiency of our operations whilst supporting compliance with environmental regulations.

In 2025, one additional Franke site achieved ISO 14001 certification, taking the total to 19 out of 23 production sites. Two of our production sites, including newly acquired berbel Ablufttechnik GmbH, are certified to ISO 50001 (Energy Management Systems), further supporting our Scope 1 and 2 emission reduction goals.

82%
of production sites are ISO 14001 certified

Resource use for production and packaging

The table below details the key production and packaging materials we used in 2025. All measurements and percentages represent volume by weight.

Altogether, we used around 7.6% fewer materials for production compared to 2024. This reduction was mainly due to lower market demand and a different product mix sold. The variations per material are listed in the table. The 2024 figures for glass, MMA, quartz, carbon and galvanized steel and packaging materials within the table have been restated due to a change in the methodology or data corrections.

93.3%
of packaging materials were renewable

Materials by weight

	MATERIALS IN METRIC TONS	2025	2024	DIFF. 2025/2024
Production materials	Steel: stainless	16 453	18 226	-9.7%
	Steel: carbon and galvanized*	6 846	6 908	-0.9%
	Plastic	3 894	4 256	-8.5%
	MMA (methyl methacrylate)*	1 754	1 871	-6.3%
	SMC (sheet moulded compound)	1 179	1 337	-11.8%
	Glass*	957	963	-0.7%
	Renewable materials	461	417	10.4%
	Quartz*	6 346	7 038	-9.8%
	Total weight of production materials*	**37 890**	**41 016**	**-7.6%**
Packaging materials	Renewable packaging materials*	16 135	18 149	-11.1%
	Non-renewable packaging materials*	1 152	1 078	6.9%
	Total weight of packaging materials	**17 287**	**19 227**	**-10.1%**
	Total weight of renewable materials	**16 596**	**18 566**	**-10.6%**
	in % of total weight	**30.1%**	**30.8%**	**-2.4%**
	Total weight of non-renewable materials	**38 580**	**41 678**	**-7.4%**
	in % of total weight	**69.9%**	**69.2%**	**1.1%**
	Total weight of materials	**55 177**	**60 243**	**-8.4%**

* Subsequent data corrections for 2024

Responsible packaging and distribution

To ensure the safe delivery of our products to customers, we used over 17,000 metric tons of packaging in 2025. Reducing the environmental impact of this packaging and improving its recyclability and end-of-life recovery remain key objectives of our sustainability strategy. This approach helped us maintain a high share of renewable packaging across the Group, at 93%.

In terms of overall volume (by weight), our packaging materials decreased by 10% compared to the previous year. This reduction was primarily driven by lower sales volumes, but also reflects ongoing efforts to optimise packaging design and material use. Reducing the environmental impact of our packaging remains a continuous priority. We evaluate and test alternatives to plastic and non-recyclable materials, and where feasible, we choose the recyclable option. However, substitution decisions must meet strict product protection and quality requirements, as well as align with the realities of our global manufacturing footprint. As such, a like-for-like renewable or recyclable alternative is not yet available for every application.

5 metric tons
of plastic reduced annually in the UK through the Shrink Wrap Improvement Project

1 million
plastic bags eliminated in Asia for packaging smallwares

Replacing plastic and Styrofoam with cardboard and paper alternatives over the past few years has played a key role in our high share of renewable packaging. Our Home Solutions design atelier in Aarburg, for example, now uses fully recyclable cardboard packaging to transport its worktops. To protect the worktop edges, we use a more robust material made from at least 30% recycled components.

Some of our products still require plastic packaging for safety and shelf-life purposes, for example, cleaning products for our coffee machines. To minimise their environmental impact, in 2025 we switched from 100% virgin plastic to 65% recycled plastic[7] for our highest volume items (cleaner for milk systems).

At Franke UK, the team has implemented a Shrink Wrap Improvement Project to reduce both the volume and impact of plastic film which is used to secure products on pallets for transportation. By using a higher-performance material (a thinner but stronger plastic), the team saves approximately 5 metric tons of plastic per year. The material provides 50% more stretch, allowing more pallets to be wrapped per roll. It contains 30% recycled content and is more cost-effective, supporting both environmental and commercial efficiencies.

In Asia, an initiative by Franke Foodservice Systems has eliminated an estimated one million[8] plastic bags used for packaging smallwares (cooking utensils, containers, storage items, etc.). The Franke Asia Sourcing team worked closely with our facilities in the region to either completely eliminate the packaging by shipping in bulk cartons, or to replace it with suitable alternatives such as paper bags. As with any change in processes at Franke, we conducted rigorous reliability testing to ensure the improvements meet or exceed our quality standards and maintain our product integrity.

7 We switched from 100% high-density polyethylene (HDPE) to 65% recycled high-density polyethylene (rHDPE).
8 Based on 2024 global sales of the applicable items.

Sustainable procurement

Franke's approach to sustainability extends to our suppliers. We prioritise engagements with those who work ethically by seeking to minimise their environmental impact and maximise their positive social influence. In recognition of our efforts, CDP raised our Supplier Engagement Assessment score to 'A' in 2025 (from 'D' in 2023).[9] This reflects a significant shift from 'disclosure' to 'leadership' in Franke's governance, targets, Scope 3 emissions, and value chain engagement on climate change risks.

Responsible procurement: ecological integrity

By actively collaborating with our suppliers, we can drive collective progress on our environmental commitments. Franke hosts annual webinars to inform key suppliers about our emissions reduction goals and to encourage the use of CDP for transparent emissions reporting. In 2025, we invited 314 key suppliers to use CDP, with 68% of these submitting their data through the platform.

73%

above industry average in EcoVadis Sustainable Procurement score

Our approach scored Franke a high rating in EcoVadis' Sustainable Procurement category (64 out of 100) in 2025, significantly outperforming the industry average of 37.

Strengths noted in the assessment included our comprehensive assessments of suppliers' environmental and social practices and our capacity-building for employees and suppliers. We train our procurement teams on social and environmental issues within the supply chain and raise awareness among key suppliers of the importance and benefits of strong sustainability practices.

Responsible procurement: social integrity

Our sustainable procurement approach is also about people. We seek to identify and manage risks to human and labour rights and ensure safe working conditions within our supply chain. We conduct pre-screening assessments across our entire supplier base, our processes guided by Sedex – the world's largest data platform for supply chain assessment. These assessments determine the risk of regulatory non-compliance on issues of child labour, forced labour, deforestation, and conflict minerals. For suppliers located in higher risk areas, we encourage the use of Sedex, offering onboarding webinars and requesting they complete an extensive self-assessment questionnaire for their production sites. Suppliers can alternatively provide their EcoVadis score. In 2025, over 100 suppliers met this information requirement. We assess their responses, and where necessary, create tailored action plans to improve together, using periodic ethical audits (SMETA) to monitor progress. Further details on this process are provided in Appendix I, page 66.

To check that our suppliers are financially sound and able to meet their commitments, we utilise the Dun & Bradstreet database. This helps us reduce financial and supply risks.

9 In 2023, this was known as a Supplier Engagement Rating (SER).

LOCAL EXAMPLE

Increasing the recycled components in our production materials

Together with a key customer, we have initiated a project to increase the proportion of recycled content in the most common materials we use for our components. For plastics in this project, we have introduced resins with 40% post-industrial recycled materials (recycled plastic from factory waste). We are aiming to reach 50% in 2026.

For stainless steel, Franke's products within the project already meet the 80% recycled content target, reflecting the high rates commonly used in European stainless steel production. For carbon steel, the process is more complex. There are two main production technologies for carbon steel: the traditional blast furnace and the electric arc furnace. The latter allows for a higher proportion of recycled material, however only two suppliers in Europe currently adopt the technology. Since our suppliers use the traditional blast furnace, our carbon steel currently comprises between 15% and 30% recycled steel. We are working on a strategy to increase this proportion in the coming years. We are also working with our suppliers to increase the proportion of recycled material in the aluminium we use for our components (for example, appliance housings, cooker hoods, and design elements). Currently, we source aluminium containing around 20% recycled material.

Resource efficiency and product lifespans

Creating high-quality, reliable, and durable products is a defining factor in Franke's long-term success. It is also a key component of our sustainability approach. High-quality products typically have longer lifespans and help to avoid unnecessary emissions from early disposal.

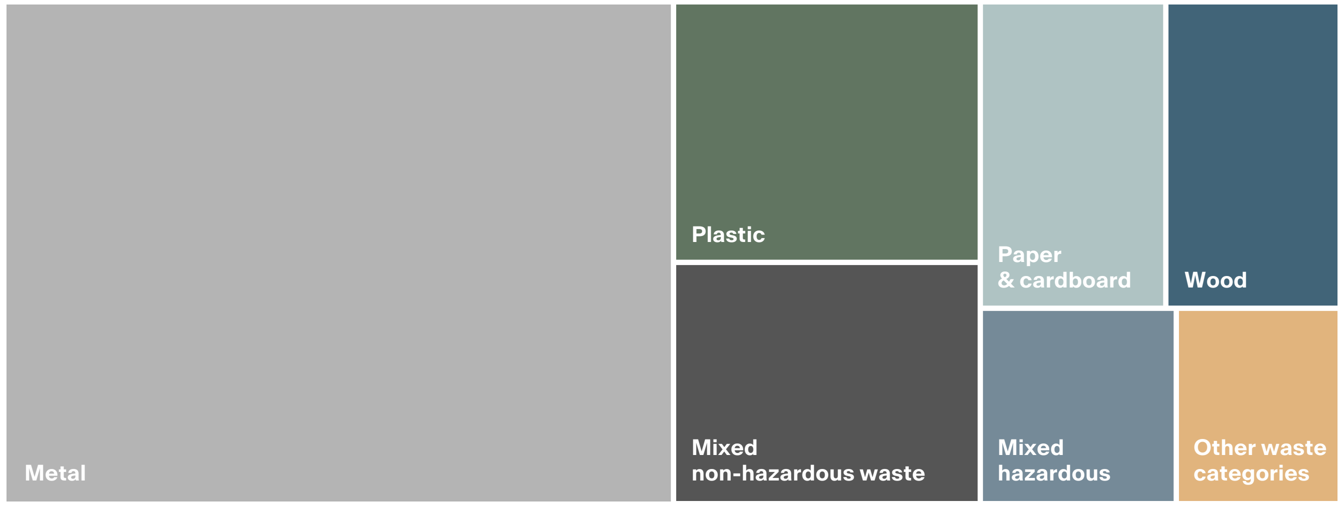
Similarly, our investment in research and development enables us to create innovative, resource-efficient products that can help our customers reduce their environmental footprints. Franke's new A Line coffee machine series, for example, harnesses technologies such as our self-engineered HeatGuard insulation, which cuts energy loss by up to 44%. The technology keeps the machine in a stable, ready-to-use state, even after long idle periods. This eliminates the need for constant reheating, which improves energy efficiency and protects the machine for a potentially longer lifespan. Read more about this latest innovation, and others, on page 46.

Quantifying the environmental footprint of our products

Deepening our environmental management approach, we conduct Product Lifecycle Assessments (PLCAs) on some of our most popular products. Our current focus is on cooker hoods. These assessments help us quantify their environmental impacts more accurately across the entire lifecycle: from raw material extraction to end-of-life, and everything in between. The PLCAs are then used to create Environmental Product Declarations (EPDs). These declarations are externally verified and based on standardised methodologies, enabling product comparisons. EPDs give our customers even greater transparency, helping them fulfil their own sustainability requirements, and they provide us with valuable insights to inform future product development.

Waste management

Most of Franke's waste is generated through our production activities. Metal accounts for half of all waste, and in 2025 we recycled 81% of our metal waste. The second most common waste type is plastic (12%), of which 57% was recycled in 2025. Mixed non-hazardous waste accounts for 11% of our waste. Paper and cardboard represent 9%, followed by wood at 8%.

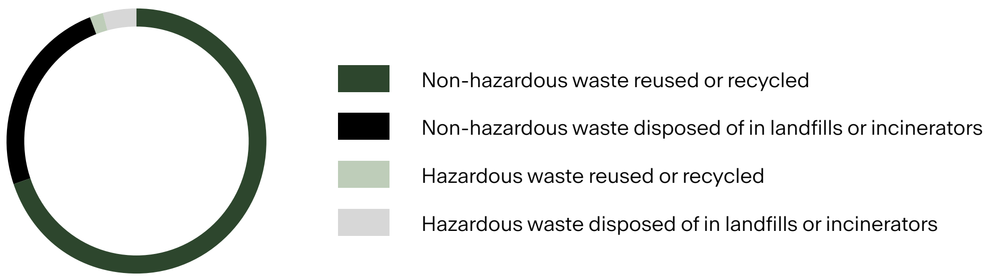


The first step in Franke's waste management strategy is to minimise the amount of waste we produce during production. Through our Environmental Management System, we continuously develop process optimisations and apply the most resource-efficient methods to minimise our waste and other environmental impacts. For the waste we cannot avoid, we recycle wherever possible.

Waste disposal methods

To monitor our waste management, Franke distinguishes between waste diverted from disposal and waste directed to disposal. Waste diverted from disposal includes waste that is recycled, composted (non-hazardous waste only), and other recovery operations. Waste directed to disposal refers to waste that is disposed of through landfill or incineration, with or without energy recovery. This classification supports a consistent and transparent assessment of waste management performance across our operations. All measurements and percentages presented in this section represent volume by weight.

Waste disposal methods



In 2025, we reduced the total volume of our waste by 3.2% to 17,722 metric tons, with 81% diverted from disposal.

81%
of waste was recycled or recovered instead of being thrown away

The majority of Franke's waste (93.6%) is non-hazardous. The total amount of hazardous waste increased in 2025, but the absolute volume was relatively minimal (+93t). Just under a quarter of our hazardous waste was diverted from disposal.

The implementation of our waste management strategy is managed at the local level, in full compliance with applicable waste regulations. Our facilities at Aarburg set a prime example of on-site waste separation, enabling us to direct more waste for recycling. For example, Styrofoam is machine-shredded on site before being sent for recycling; and we separate protective plastic film used in production from other packaging materials, before these are recycled.

LOCAL INITIATIVE

Digital waste monitoring pilot in Italy

In November 2025, we began piloting an initiative at two Franke entities in Italy to advance our waste management practices and avoid incorrect waste disposal. Employees are using NANDO, a digital waste monitoring tool with AI functionality, in combination with dedicated waste segregation bins in the office areas. The tool guides them in identifying the correct disposal method and supports further learning by providing additional educational content. Additionally, the tool can produce reports on key metrics like weight, segregation quality, CO_2 emissions, bin filling levels, and single waste items, all from AI analysis of a photo. The pilot continues in 2026 and we look forward to analysing the results later in the year.

Our People

Safety and occupational health

From our production plants to our warehouses and offices, employee safety always comes first. To maintain our high standards, we embed safety and health into our culture, mindset, and behaviours. We have a clear and ambitious goal: zero accidents.

Franke's management of safety and health risks is guided by the ISO 45001 Occupational Health and Safety Management Systems standard. This also helps us ensure continuous improvement. By the end of 2025, 20 out of our 23 production sites were certified. Those not yet certified include one new entity (berbel Ablufttechnik GmbH), our new plant in Mexico (certification expected in 2026), and our production plant in Russia.

Our proactive safety-first culture

32%
decrease in rate of work-related accidents

Over the past two years, we have been implementing smarter, safer ways to operate. The Franke Safety-First programme plays a central role in this. Launched in 2024, the programme empowers teams with the knowledge and tools to take responsibility for their collective safety. To ensure we reach all employees, we integrate safety throughout our employee journeys, from initial onboarding to regular training. We also reinforce safety principles at Franke leadership levels to embed essential practices and mindsets across the board. A Global Safety Governance Committee oversees our progress, supported by ongoing safety maturity assessments and monthly safety calls in all business units.

We continue to see the positive impact of our Safety First programme across our metrics:

- The rate of work-related accidents for 2025 fell by 32% compared to 2024, to 2.39.[10]
- More than 3,000 employees rated Franke's safety culture as 'advanced' in the 2025 Pulse Check, a significant increase on previous years.
- On a local level, Franke Foodservice Systems in Gdynia, Poland, celebrated 500 working days accident-free during 2025. This achievement, at one of Franke's largest sites (by number of employees), is a testament to the teamwork, care for one another, and consistent adherence to the safety rules embedded in our Safety-First program.

Prevention is key: A new reporting system for near misses

Franke production sites and warehouses have historically followed strong incident reporting procedures reflecting the higher-risk activities at these sites. In 2025, we expanded our digital incident reporting procedures to our offices and introduced new requirements for logging near misses as well as actual accidents. This means that potential incidents, for example loose cables on the office floor that could cause someone to trip, are also recorded. This allows risks to be identified and addressed before they cause an accident.

A network of health and safety ambassadors

Our people are instrumental in achieving our safety goals. In 2025, we appointed 50 Safety and Health ambassadors across Franke locations worldwide to champion workplace safety. Through a series of training modules tailored to local environments, the ambassadors gain the skills to implement and support local initiatives such as safety activation sessions, safety talks, and promoting open dialogue about risks and prevention. By learning to ask the right questions, our ambassadors can involve colleagues more effectively, increasing employee adoption of our Safety First mindset. Each ambassador is supported by a sponsor from the Senior Leadership Team to ensure the topic is a priority on site.

LOCAL INITIATIVE

Health and Safety Week in Strečno, Slovakia

In September 2025, Franke Slovakia held a Health & Safety Week to dive deeper into health and safety topics including mental health and lifestyle choices.

- More than 300 employees took part in mandatory practical training such as the safe handling of heavy loads and chemicals, first aid rules, and ergonomics.
- More than 140 colleagues took advantage of physiotherapy treatments.
- 100 colleagues underwent lung function tests and received health assessments derived from a simple one-drop blood sample.
- Around 80 employees had body scans to measure their bone, body fat, and water percentages – useful for creating tailored nutrition and exercise plans.
- Sessions on well-being topics such as stress management were also well attended.

10 Last year we reported an injury rate of 5.74; however, we have updated our calculation method for 2025. The metrics now only include high-consequence accidents, defined as "work-related injuries from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months", rather than including all accidents. This resulted in a new rate for 2024: 3.53.

Key safety and health metrics

	2025	2024	DIFF. 2025/2024
The percentage of people covered by Franke S&H programme	100%	100%	0%
Number of fatalities as a result of work-related injuries	0	0	-
Number of work-related accidents	17	30	-43%
Rate of work-related accidents*	2.39	3.53	-32%
Number of lost days due to work related accidents	229	275	-17%

* Accident Frequency Rate (AFR) = (Number of lost-time accidents × 1,000,000) / total hours worked.
Note: For the data regarding injuries, we are only including Franke Home Solutions and Franke Foodservice Systems' production and warehousing facilities; Franke Coffee Systems and our office facilities are not included in these figures. They will be included in the 2026 report and beyond. We have calculated these figures in accordance with *GRI 403 Occupational Health and Safety* disclosure requirements and adjusted the numbers we report based on these requirements.

Our people's well-being

Well-being at Franke focuses on supporting both mental and physical health. Initiatives are developed locally across the Group, taking into account local contexts, team sizes, and other variables. Examples in 2025 included:

- **UK:** All employees have free access to the Breeze App, which connects them to doctors, dental services, physiotherapists, and stress reduction resources.
- **Switzerland:** The Fit4Franke programme offers activities related to health and nutrition, accident prevention, fitness, and maintaining a healthy work-life balance. Offers include subsidised health massages, ski days, fitness competitions, and more. Ten teams joined the national Bike to Work Challenge during May and June, together cycling over 13,000 km.
- **Asia:** A mental crisis management guide was launched for employees along with psychology-focused events featuring guest speakers.

Employee training and education

Our people make the difference at Franke. They drive our innovation and resilience, helping us adapt and embrace change. They bring our unique culture to life and set us apart from our peers. To retain this strong, global community of talent, we invest in continuous learning and development opportunities. We want our people to thrive in their roles, and to grow with Franke. Our ambitious culture encourages everyone to take ownership of their personal development and to support each other to "win together" – a core Franke value.

Talent management and career development

357
internal promotions in 2025

To help our people achieve their career aspirations, we develop individualised career paths and seek to promote from within the Group wherever possible. In 2025, we recorded 357 promotions, raising our internal job placement rate to 29%, up from 20% in 2024. At senior management level, our internal promotion rate was particularly strong: for our Global Leadership Team roles, we achieved 90% in 2025, exceeding our target of 70%. Our Group goal is to reach 40%, through a range of actions including increased transparency and communication over vacancies, guidance for hiring managers to seek out internal talent, and encouraging our leaders to be active 'talent promoters'.

Regularly evaluating our employees is vital for enabling career development and we use two key tools for this: our Talent Management and Succession Planning process, and the My Contribution Dialogue.

Talent Management and Succession Planning: During talent sessions, we look at performance and aspirations to identify key performers and future leaders. We then explore potential assignments, training, and increased responsibilities to build out their talent. We use this process to define potential successors for critical roles, exploring opportunities across geographies, functions, and divisions.

My Contribution Dialogue: This tool supports managers and employees in discussing four core themes: individual performance, living Franke's values, development goals, and career aspirations. In 2025, more than 1,800 Franke employees set at least one goal or activity following a documented dialogue with their managers through the tool.

Employee spotlight

Rifat started his career at Franke in 2002 as a factory employee to fund his studies, and by 2005 he was already leading a team. Over the past 20 years, he has worked through seven positions and is now a manager.

"My motivation comes from a deep identification with the company and a large network I have built in over 20 years, which helps me solve problems quickly and learn from various departments. I have experienced Franke to be a company of possibilities. It values its employees as individuals – you are not a number here. You have the

possibility to make an impact and influence processes, which is not a given in companies of Franke's size."

Training and development programmes

The Franke Academy is the home of our learning and development offerings. It supports our employees at each stage of their careers through a range of in-person and virtual training. Programmes include Leadership Development training across four levels, the One Franke Talent Program, Project Management training, Commercial Excellence training, LinkedIn Learning, language courses, and Business Coaching.

We encourage our office-based employees to spend time each week expanding their knowledge through LinkedIn Learning. During the year, employees spent over 5,800 hours on LinkedIn courses, spurred on by our annual LinkedIn Learning Competition.

Franke Learning Festival 2025

Following the success of the first virtual Franke Learning Festival in 2024, we hosted a second edition in November 2025, attracting over 4,800 session registrations from employees across Franke worldwide. More than 20 sessions provided internal Franke Group insights and updates as well as external insights on global themes affecting Franke. Topics included the future of work, cultural competence across borders, collaboration in hybrid workplaces, communication skills for impactful client interactions, and building resilience to support well-being. Feedback was again very positive:

"Thank you for such an interesting and perfectly organised Learning Festival. It was very useful, warm, and unifying." – Elena Chesnokova, Head of Logistics, Elikor LLC, Russia.

"It was a great experience to participate in the sessions, and I learned a lot from the entire festival. Thank you for creating such a valuable learning experience." – Neha Srivastava, Senior Manager Product Design, Franke Faber India.

Empowering top talents: The One Franke Talent Program (OFTP)

The OFTP is Franke's flagship training programme for high-potential employees, typically at mid-manager level. Participants from across the Group are selected based on our global Talent Management and Succession Planning process and nominated by their divisions or functions, with final approval by Franke's Group Management Board. With a strong focus on practical learning through project work, the programme is designed to challenge participants outside of their comfort zones as they solve real business challenges. Over 12 – 18 months, participants take part in three learning modules, mentoring, and peer-to-peer learning. This combination of hands-on projects, intense learning, and meaningful dialogue with peers helps participants build a strong, company-wide network and the skills to be successful in their next career move.

Eighteen participants graduated from the programme during the year, presenting their achievements to Franke's Group Management Board, followed by an award ceremony led by Franke's CEO, Patrik Wohlhauser. We also welcomed 23 new participants in 2025, all focused on taking the next steps in their careers.

"Franke is a place where ideas are welcome, and employees are empowered to make a difference. Participating in the One Franke Talent Program allowed me to broaden my perspective on our company and connect with colleagues from around the world." – Stephen Moon, Technical Support Director, Franke Coffee Systems Asia-Pacific.

Investing in the next generation of talent

Just as important as our seasoned talent, we view young talent as both our future and a crucial part of our present. Our trainees and apprentices bring energy, curiosity, and ambition to Franke. In return, we offer a dynamic and international environment to grow and develop.

A growing Graduate & Early Career (GEC) programme

Designed for graduates or those with 1-2 years of experience, the GEC programme provides real responsibility and continuous learning for young professionals to help them build strong career foundations. Supported by individual coaching and mentorship, the focus of the GEC programme is on practical on-the-job learning with additional exposure to senior leadership.

In 2025, we welcomed nine new participants to the programme, while two existing participants gained internal promotions. The 22-strong GEC community (10 females, 12 males), can learn from one another, share expertise, and tackle real business challenges. External participants bring fresh insights to Franke while internal participants apply their existing knowledge of the business. Together, they form a strong network of young talent and potential future leaders.

Employee spotlight

Lorenza joined Franke in January 2023 through the GEC programme. Shortly after, she transitioned into a trade marketing role in Italy, and within 18 months, moved to Switzerland to take on a position within the Global Category team.

"Franke is a place where initiative is valued, and the potential for impact is real. The GEC programme is an exceptional platform to learn, connect, and develop in a dynamic and international environment."

Internships and apprenticeships for emerging talent

Our internships and apprenticeships provide valuable, hands-on work experience at Franke locations around the world. Aimed at school and college leavers, for many, these programmes mark their first experience in a professional environment. In 2025, we provided over 130 apprenticeships across Switzerland, Germany, the Philippines, France, and the UK, as well as over 65 trainee and internship opportunities, including 19 at our New Mexico facility. In the US, Franke Foodservice Systems launched a new three-month summer programme, welcoming interns from renowned institutions such as Penn State, the University of Tennessee, and UC Berkeley for hands-on projects and real business exposure.

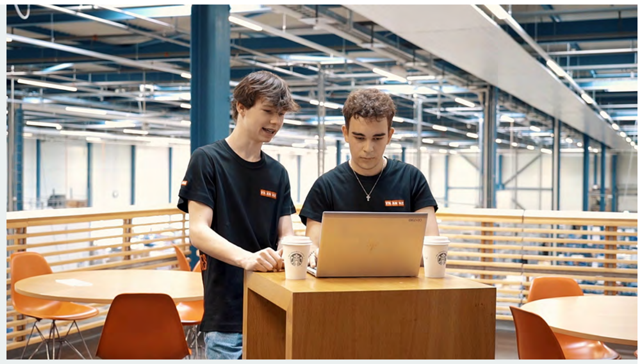
130+
apprenticeships provided

A centre of excellence for vocational training in Aarburg

At the heart of our early talent development in Switzerland is our Vocational Training Centre (BBZ). As a future-oriented training hub, the BBZ makes a significant contribution to Franke's long-term value creation and reputation as a responsible employer. We are recognised by stakeholders as a professional training partner, preparing young people to enter the labour market with a high level of technical expertise and professional competence.

In 2025, BBZ supported 74 apprentices, offering training across a range of professions, including polymechanics, design engineering, and mechanical engineering, among others. A strong emphasis is placed on practical learning and real business impact: approximately 80–90% of their projects are actively used within the business, contributing directly to operations, products, and process improvements.

In addition to technical capabilities, we focus on developing cross-functional competencies, including methodological, social, and self-management skills, ensuring that apprentices are well-rounded and future-ready. The BBZ also serves as a centre of excellence for vocational training in the region. Apprentices from other organisations regularly visit Aarburg to learn from best practices, reinforcing our role in strengthening broader vocational education.



"I always tell our apprentices: if you enjoy what you do, stick with it and keep learning, because that's what will take you far. The strong retention and continued development of many of our apprentices after their training shows that this mindset truly pays off."
Benjamin Widmer, Head of Vocational Training Centre (BBZ).

Employee insights and awards

Franke's investments in learning and development are reflected in the positive feedback that employees provide in our engagement surveys and the external awards we receive.

Our annual employee engagement survey, the Pulse Check, once again achieved a strong participation rate in 2025. More than 5,500 employees worldwide, representing 74% of the workforce, provided their feedback. Franke's overall engagement score remained high at 60%, demonstrating solid employee engagement despite the challenging market. Scores increased in several countries, including France, Greece, Italy, and the UK, reflecting the impact of local engagement initiatives.

Our continued efforts to embed the One Franke vision and mindset across the Group are also clear to see. An overwhelming majority, 90% of survey participants, said they understand how their work aligns with Franke's wider goals.

Positive employee reviews have ranked us as one of Europe's highest-rated employers by the Financial Times and Statista. In 2025, **we were placed 4th within the Engineering and Manufacturing sector** and 86th overall out of 1,000 companies.

In Switzerland, the Franke Group was recognised as one of the country's best employers, **achieving 2nd place in the category for Electronics and Electrical Engineering**,[11] and placed 64th out of 250 companies overall.

30th Anniversary of Franke China

Franke China, which celebrated its 30th anniversary in 2025, was named one of the top employers at country level by the globally renowned Top Employers Institute. Scoring 91%, **Franke China ranked in the top third of more than 2,000 companies assessed.**

These achievements demonstrate the strength of our culture and our commitment to building a workplace where people thrive, grow, and feel truly valued.

11 Full category title: Electronics and Electrical Engineering, Electronic and Medical Devices.

Society

Product responsibility and sustainable innovation

At Franke, we combine responsibility and innovation to shape a better way of living. This principle is embodied in the high-quality, safe, efficient, and elegant products that simplify and enrich people's lives. Product development at Franke never stands still – we are continuously pioneering new innovations, utilising the latest data, and harnessing our One Franke spirit to create outstanding solutions.

Quality management and product safety

Our products are used in thousands of homes and businesses around the world. For us, product safety and quality are non-negotiable. We apply a precautionary approach to product design and production, prioritising risk prevention over remediation. We use a range of actions to maintain our standards, including a robust quality management system, ISO 9001 certification, internal product testing, site audits, and customer feedback monitoring.

A Group-wide approach to quality

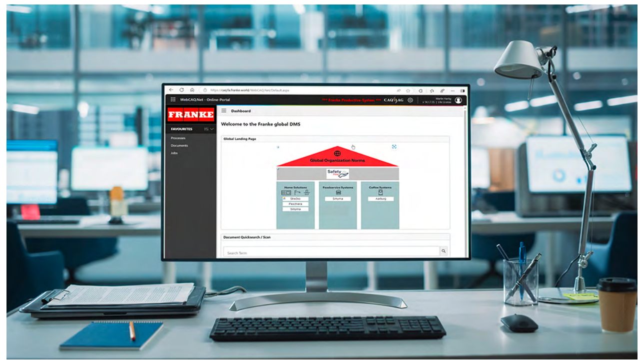
Product quality is a team effort at Franke. A Global Quality Leadership Team, led by Franke's Head of Quality, is responsible for coordinating the Group-wide quality activities. Franke's Product Development, Marketing, Risk Management, Engineering, Supply Chain, and Legal departments all play a key role in ensuring quality and compliance with relevant technical and food safety standards.

91%
of production sites are ISO 9001 certified

In 2025, Franke was certified to ISO 9001 standards for 21 out of our 23 production sites. This verifies that we have structured and effective quality management systems in place, that we consistently meet regulatory requirements, and that we are committed to continuous improvement. The Franke Foodservice Systems site in Mexico is progressing towards certification, having passed its Stage 1 audit in 2025.

Centralising quality and safety excellence across our global operations

As we continue to embed the One Franke approach across the Group, we introduced a centralised computer-aided quality system in 2025, set to replace more than 15 local document management systems across all 23 production sites. This digital platform is expected to increase transparency, efficiency, and safety worldwide. The system's initial AI features already support automated document creation and establish a foundation for continuous improvement. Processes will become easier to compare, and best practices, including safety practices and operating instructions for equipment, will be more visible.



In Strečno, Slovakia, where the system has been rolled out, employees benefit from direct access via touchscreens on the shop floor. Having real-time access to the latest documents and forms, via a clearly structured, user-friendly interface, assists both employee training and everyday use. During the year, we implemented the system across six sites and expect to complete the rollout during 2026.

Metrics to monitor product quality

We use a variety of testing and metrics to monitor our product quality, including scrap and rework ratios, service call rates, and cost of poor quality (COPQ) metrics.

Scrap and rework ratios indicate the volume of raw materials and products scrapped or recycled. Failure mode and effects analyses (FMEA) are used to enhance the technical reliability of our products and to prevent product failures. However, in the case of major and systemic defects, products are disassembled, and their raw materials are recycled as much as possible, with the resulting scrap being recorded.

In 2025, Franke Home Solutions reduced its quality scrap ratio for Franke Hoods by 24% compared to 2024.

Our service call rate measures the number of customer-reported defects each year (within the warranty period) as a percentage of the total amount of finished goods sold by Franke in that year. We achieved a rate of 1.92% in 2025.

1.92%
service call rate in 2025

COPQ metrics capture the cost of delivering below-par-quality products to our customers. This metric includes any damage incurred during the transportation of our products, in addition to any faults with the products themselves. It enables us to compare across Franke locations and product ranges. Franke Home Solutions Hoods achieved a noteworthy 20% reduction of COPQ in 2025 compared to the previous year.

Maintaining high quality to reduce environmental impact

In addition to providing the high quality that our customers expect, ensuring consistent quality also helps us manage our environmental footprint. Reproducing or reworking products identified with defects uses more energy and can increase the amount of waste we produce. Similarly, replacing or repairing products once they reach our customers increases the emissions generated from additional travel, transportation, and packaging. Therefore, ensuring consistent, high product quality supports brand reputation and helps to avoid unnecessary waste and emissions.

Sustainable innovation

Innovation and agility are integral to our culture, enabling us to respond to changing customer needs. We push boundaries to create technical and design excellence, investing in research and development and actively seeking customer feedback to identify improvements. By developing more resource-efficient and responsible products, we help our business customers meet the evolving expectations of their own customers. Continuous innovation also strengthens Franke's long-term competitiveness and resilience, helping to create stable employment and meaningful development opportunities for our people. Here, we highlight some of the latest innovations across the Group.

Franke Home Solutions

New K-Link Technology for intelligent appliance connections

In continuous pursuit of intuitive solutions, Franke's K-Link technology creates an intelligent connection between selected induction hobs and extractor hoods. The system automatically adjusts the hood's extraction level based on hob activity. By aligning extraction performance with cooking needs, the system helps to avoid unnecessarily high fan speeds while maintaining appropriate air extraction during cooking. This is intended to support efficient operation and consistent kitchen air management.

Franke Foodservice Systems

Empowering Franke customers in proactive equipment maintenance

Franke Foodservice Systems is developing e-learning courses in over 20 languages to enable its customers to perform routine maintenance and resolve simple technical issues independently, leading to quicker resolutions and reduced downtime. In addition to troubleshooting modules, the courses provide guidance on conserving energy, water, and food, supporting cost reductions and environmental performance. Research conducted in collaboration with the University of Applied Sciences and Arts Northwestern Switzerland identified energy savings of up to 25,000 kWh per store, as a result of proactive maintenance by equipment operators. The first formalised e-learning modules were launched in EMEA in 2025.

Franke Coffee Systems

New A Line coffee machines which reduce resource use

In 2025, we launched a new series of coffee machines with precision technologies and forward-thinking features. HeatGuard insulation eliminates the need for constant reheating and reduces energy loss by up to 44%, while Advanced PrecisionTemp boiler technology maintains optimal brewing temperatures for each beverage type. An intelligent usage-based cleaning system uses lower levels of detergent, reduces maintenance effort, and enables maximum uptime for the machines, while ensuring full hygiene compliance.

Franke's innovative product designs recognised

Franke received multiple design and innovation awards in 2025, highlighting its commitment to high-quality product design. Key recognitions include Red Dot Awards (including Best of the Best), the GOOD DESIGN Award and the iF Design Award for the Mythos Water Hub. Additionally, the SMAU Innovation Award recognised advancements such as the In-Nova Zero Drip Extreme Hood and its Zero Drip Extreme technology.

Awards

Faber In-Nova Zero Drip Extreme Hood

Mythos Water Hub

Faber Modular Hood

Mythos Masterpiece Collection

Mythos Masterpiece Extended Collection

Faber T-Shelf Range Hood

Maris Slim Tap

Community engagement

Sustainability at Franke is about shaping a better future. This means channeling our resources to where they matter most, in line with our core values. Our vision spreads beyond our employees, customers, and suppliers to the wider community.

Expansion of the clean cooking project

We continued our partnership with the international development aid organisation, SNV, in 2025, supporting their Smoke-Free Village programme in Cambodia and financing its expansion to Nepal. The project encourages and enables rural communities to switch from traditional firewood and charcoal cooking to clean smoke-free alternatives.

Cooking with firewood is a major source of household air pollution, which remains a significant health risk: approximately 14,000 deaths per year in Cambodia are linked to the issue and an estimated 18% of deaths in children under five are thought to be caused by unclean cooking practices.

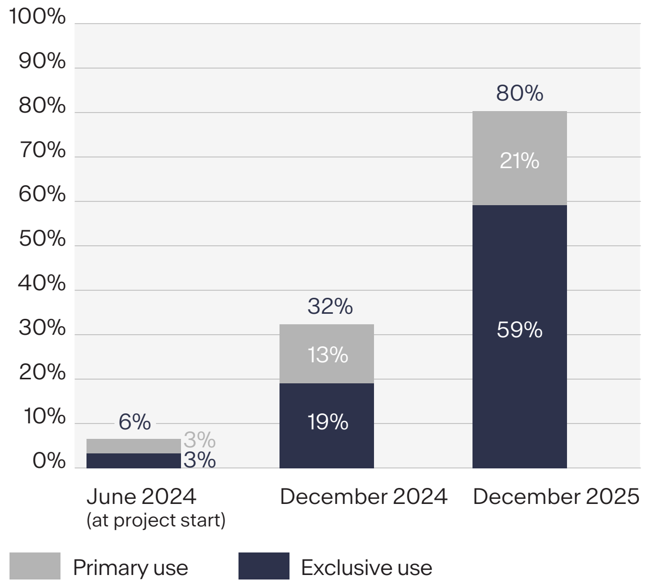
After two years, the project has delivered strong results. At its core, the Smoke-Free Village programme drives behaviour change. It raises awareness of the serious health impacts of traditional firewood and charcoal cooking. At the same time, it promotes LPG and electric cooking as cleaner and healthier alternatives through targeted community engagement.

The programme organises village meetings and interactive cooking fairs. These events combine education with live demonstrations, including blind tastings of traditional meals prepared on smoke-free cookstoves (which include appliances such as water kettles and rice cookers). Door-to-door visits provide hands-on product demonstrations, while school events help engage communities. The ultimate goal of these activities is to encourage villagers to purchase clean cookstoves with their own resources, encouraging long-term adoption and ownership.

To support adoption, villagers are connected with local dealers who offer tested and affordable LPG and electric cookstoves. In line with the principle of "Leaving No One Behind", targeted subsidies to buy clean cookstoves are provided to the lowest-income households.

By the end of 2025, 80% of the 12,700 households in the project region (Cambodia's Chum Kiri district) were cooking either exclusively or primarily using smoke-free cookstoves. This is up from just 6% at the start in June 2024. Out of these households, 59% cook exclusively with clean cookstoves, and 21% cook primarily with them. This equates to over 39,000 people benefiting from significantly improved indoor air quality as a result of the programme.

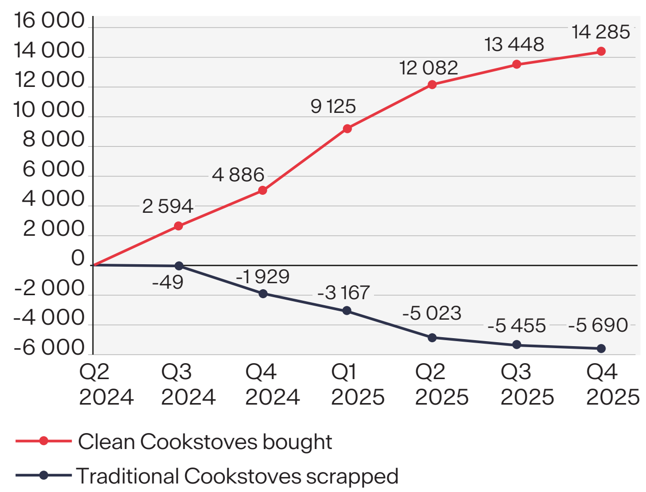
% of project households in Cambodia using clean cookstoves



A further impressive outcome is the number of traditional cookstoves disposed of as they become obsolete. By the end of 2025, this had increased to more than 5,600, implying that those households are so satisfied with the new solution that they do not plan to return to their previous cooking methods.

Transition from traditional to clean cookstoves

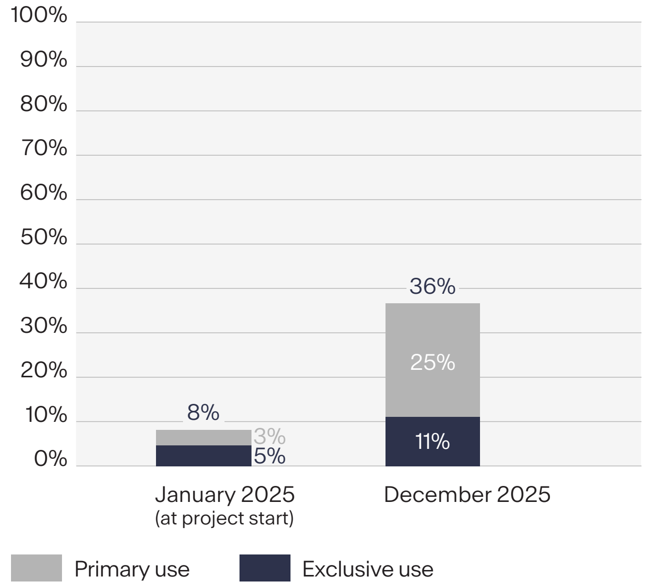
(total 12,700 households with 53,350 people)



Following the initial success in Cambodia, SNV expanded the programme to 27 villages in western Nepal, with funding from Franke. The project is the first of its kind in the country, requiring additional groundwork to engage local, regional, and national government bodies. Similar to the programme in Cambodia, the main focus is on behaviour change, along with the provision of access to affordable cookstoves and offering targeted subsidies for the lowest-income households.

The first positive results are already showing in the five villages included in Phase 1, which started at the beginning of 2025. The ownership of clean cookstoves increased from 32% to 76% across the 2,070 households in Phase 1. In terms of usage, 36% of households were either exclusively or primarily using clean cookstoves by December 2025, compared with 8% at the start of the project in January.

% of project households in Nepal using clean cookstoves



Phase 2 of the project began at the end of 2025, with a baseline assessment and behaviour change activities rolled out in 22 additional villages comprising 8,970 households and 49,300 people. We expect similar positive results for these households throughout 2026 as they also discover the benefits of this cleaner way of cooking.

Community initiatives

Creating connections and delivering positive contributions to our local communities embodies the true spirit of One Franke. Here are some of the ways we supported our local communities during the year.

Community engagement in Aarburg

Each year, we welcome representatives of local communities and municipalities to our headquarters in Aarburg for a community dialogue. Franke Owner, Michael Pieper; Chief Human Resources Officer, Beat Sigrist; and CEO Artemis Real Estate, Martin Wyser host the event, attended by local politicians and mayors. It helps us to better understand what matters to our communities and to discuss topics related to real estate, the future of Franke, and the Aarburg campus.[12]

We also organise an event for National Future Day to inspire children about potential career paths. This year, 37 children joined us in Aarburg for a day of exploration, creativity, and learning. The children had the chance to tour the site, take part in creative activities and quizzes, and spend time in the workplace of their accompanying guardian. Franke apprentices play an important role in organising the event – gaining additional learning and growth opportunities beyond their apprenticeships.

Strengthening Franke's charity connections in Hong Kong

In January, the Franke Management team visited one of the longstanding charities we support – the Ronald McDonald House in Hong Kong. The charity provides temporary homes close to hospitals for the parents and siblings of children who are suffering from severe illnesses. Franke leaders saw first-hand the difference the charity makes to the children and their families and discussed future support needs. In addition to equipment, Franke China provides annual donations of rice, cooking oil, and children's stationery to the Shanghai charity branch.

Franke also provides support in crisis situations. In November, a major fire occurred at Wang Fuk Court in Tai Po, Hong Kong, affecting seven residential blocks and significantly impacting the community. In response, Franke mobilised a coordinated effort, reflecting the One Franke approach to providing timely support. Contributions from all divisions and the Shared Services Centre teams were distributed via the Hong Kong Red Cross to support emergency relief measures.

Community donations in Poland and Australia

Franke Poland participated in the national Noble Gift (Szlachetna Paczka) initiative for a second year, preparing and delivering comprehensive support packages to two community members. Franke employees collected donations for the packages through cash boxes, an online donation platform, and a Christmas bake sale. Franke Poland also contributed additional products to the packages, which included food, household items, cleaning products, school items, and essential appliances. Employees volunteered their time to help coordinate, pack, and deliver the packages, highlighting the strong community spirit at Franke Poland.

In Australia, employees supported several local charitable initiatives through coordinated donation drives across multiple locations. Building on similar efforts over the previous four years, contributions in 2025 included the collection and delivery of essential items to a community organisation supporting vulnerable individuals and families during the holiday period. In addition, employees contributed to nationwide and local initiatives, including the donation of toys to a recycling drive and the collection of prescription glasses for reuse through a partner organisation. These efforts reflect a strong level of employee engagement and a shared commitment to supporting local communities.

Nature Day Franke UK

Members of the Franke UK team took part in a Nature Away Day at Trafford Ecology Park, Manchester, in partnership with environmental organisation Groundwork. The team made a tangible contribution to the park by relaying footpaths, restoring a disused bike shelter, and preparing vegetable beds for local schoolchildren to plant and use for outdoor learning.

Groundwork shared exceptionally positive feedback about the team's contribution, highlighting the meaningful impact of our involvement and ongoing commitment to supporting community-based environmental initiatives.

"The team was fantastic and did an amazing job! We're incredibly grateful for their efforts, which made a huge difference to the park – their hard work truly shone through."

Franke UK also supports its local homeless kitchen, donating surplus food from company events. This ongoing initiative helps ensure that food is not wasted and that our support reaches those who need it most.

12 This is a joint initiative between the Franke and Artemis Group.

Appendix I

Data and further information

Franke and its reporting practices

Franke locations

As of May 2026

● Franke Home Solutions
■ Franke Foodservice Systems
▲ Franke Coffee Systems

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*Franke does not have a physical presence at these locations, they are for administrative purposes only. Therefore, no data or other information from these locations is included in the sustainability report.
** This entity was acquired in 2026, therefore no data or information from this location is included in this report.

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Restatements of information

We have implemented several methodological improvements and data corrections. Only restatements with a significant impact on the interpretation of our environmental performance are disclosed. Restatements are reported where changes exceed 5% or could otherwise influence how our environmental performance is understood. Comparative figures in this report have been updated accordingly.

The following list contains Franke Group's restatements of information for the 2024 reporting year:

- **Electricity consumption:** Reclassification of misreported electricity and a refined methodology (including a "mixed" category and estimation for missing data) resulted in non-renewable electricity increasing from 22.0 GWh to 28.9 GWh (+6.9 GWh; +31.4%), and renewable electricity decreasing from 37.4 GWh to 30.8 GWh (−6.5 GWh; −17.6%).
- **Consumption of self-generated heat:** Correction of double counting (wood chips now reported under fuel) resulted in a decrease from 7.8 GWh to 3.9 GWh (−3.9 GWh; −50.3%).
- **Gasoline consumption:** Reclassification from heating oil increased gasoline consumption from 0.82 GWh to 0.90 GWh (+0.08 GWh; +9.5%).
- **Fuels intensity:** Previously included fuels from leased vehicles; this now reflects only own consumption. As a result, 2024 total fuels intensity decreased from 27 GJ/M CHF to 4 GJ/M CHF (−23 GJ/M CHF; −85.2%).
- **Scope 1 emissions:** Data amendments resulted in an increase from 8,585 tCO_2e to 8,697 tCO_2e (+112 tCO_2e; +1.3%).
- **Scope 2 emissions:** Data amendments and improved estimation methods resulted in an increase from 16,681 tCO_2e to 16,720 tCO_2e (+38.7 tCO_2e; +0.2%).

These restatements do not affect our emissions reduction target, as changes remain below the 5% significance threshold applied to the baseline. The baseline therefore remains unchanged, ensuring year-on-year comparability.

- **Water consumption:** Restated from 349,875 m^3 to 163 m^3 (−349,712 m^3; −99.9%) due to a correction in the calculation methodology. Total water consumption is now reported by deducting total water discharge from total water withdrawal.

This restatement does not affect any water-related targets, as water is not considered a material topic and no targets are defined. The updated methodology has been applied consistently to ensure year-on-year comparability.

- **Scope 3 Categories 1, 2, and 4**, we applied methodological updates, reclassification, and error corrections, including improvements to spend classification, emission factor application (spend- vs. average-based), removal of supplier specific factors, and unit conversions.
  - **Scope 3 Category 1:** we previously reported 1,351,511 tCO_2e. The revised value is 1,473,819 tCO_2e (+122,308 tCO_2e; +9.0%).
  - **Scope 3 Category 2:** we previously reported 79,188 tCO_2e. The revised value is 49,381 tCO_2e (-29,807 tCO_2e; -37.6%).
  - **Scope 3 Category 4:** we previously reported 60,890 tCO_2e. The revised value is 106,242 tCO_2e (+45,352 tCO_2e; +74.5%).
- **Scope 3 Category 11**, we updated the product use assumptions and applied a global emission factor on the electricity consumption. We previously reported 16,645,685 tCO_2e. The revised value is 17,339,045 tCO_2e (+693,360 tCO_2e; +4.2%).

For the reported Scope 3 categories the impact on the targets or baseline year has not been evaluated. We aim to conduct the analysis within the next 1–3 years. We have implemented strengthened data validation and standardised calculation controls to improve future reporting accuracy.

- **Materials:** For glass, steel: carbon & galvanized and non-renewable packaging, we performed error corrections, improved data consistency and applied methodological updates.
  - **Glass:** we previously reported 1,400 t. The revised value is 963 t (-437 t; -31.2%).
  - **Steel: carbon & galvanized:** we previously reported 9,228 t. The revised value is 6,908 t (-2,320 t; -25.1%).
  - **Non-renewable packaging:** we previously reported 1,314 t. The revised value is 1,078 t (-236 t; -18.0%).
  - **The total weight of production materials** was restated due to the correction of glass, steel: carbon & galvanized and the exclusion of brass and semi-finished goods as these figures cannot be quantified. We previously reported 63,227 t. The revised value is 44,527 t (-18,700 t; -29.6%).
- **Waste:** For the waste indicators we reclassified waste profiles, corrected units of measurements, and disposal methods, removed double counting, and improved data accuracy.
  - **Non-hazardous compost:** we previously reported 541 t. The revised value is 11t (-530 t; -98.0%).
  - **Non-hazardous recycling:** we previously reported 8,856 t. The revised value is 9,339 t (+483 t; +5.5%).
  - **Non-hazardous incineration with recovery:** we previously reported 374 t. The revised value is 526 t (+152 t; +40.7%).
  - **Non-hazardous incineration without recovery:** we previously reported 938 t. The revised value is 581 t (-357 t; -38.0%).
  - **Non-hazardous landfill:** we previously reported 3,185 t. The revised value is 3,450 t (+265 t; +8.3%).
- **Leased Vehicles:** we improved the allocation by energy type and corrected calculation methods.
  - **Gasoline consumption for leased vehicles:** we previously reported 12,769.6 GJ. The revised value is 7,152.8 GJ (-5,616.8 GJ; -44.0%).
  - **Diesel consumption for leased vehicles:** we previously reported 37,255.2 GJ. The revised value is 42,723.8 GJ (+5,468.6 GJ; +14.7%).

EcoVadis rating – Methodology and additional information

Scan the QR code to view further details and methodology information about our EcoVadis recognition.

The EcoVadis rating assesses the quality of a company's sustainability management system at a specific point in time, based on information provided by the company and external sources. It does not constitute a certification or guarantee of sustainability performance.

The results are relative and comparative in nature and should be interpreted in the context of EcoVadis' methodology, scoring criteria, and industry benchmarks.

Activities and workers

Franke division descriptions and value chain activities

Franke Home Solutions: provides intelligent systems and integrated solutions for residential kitchens. Its product range is dedicated to the enhancement of food preparation, cooking, and preservation, water and indoor air quality treatment, dishwashing, and waste disposal. Its customers include kitchen studios, kitchen manufacturers, appliances, distributors, pure players, and real estate developers.
As an original equipment manufacturer, its range includes bespoke solutions tailored to client specifications.

Franke Foodservice Systems: supplies innovative kitchen facilities, equipment, and solutions for restaurant operators and food retailers. As a full-system manufacturer, distributor, and programme management partner, it serves global chains in the quick-service restaurant and convenience store segments, helping them to manage unit growth and implement upgrades to their facilities. As an innovator of new technologies for professional kitchens, it develops products to meet evolving needs in areas including dispensing, hot and cold food holding, and transportation.

Franke Coffee Systems: develops and produces professional coffee machines and add-on solutions such as cooling units, cup warmers, and Flavour Stations. The products are individually configured to specific customer needs. Its customers include baristas, hotels, restaurants, coffee shops, bakeries, convenience stores, and workplaces. Franke Coffee Systems develops and assembles its machines in Switzerland to ensure high quality and precision and distributes them worldwide.

The three Franke divisions carry out similar types of activities across their value chain, although the exact details vary depending on the products and operations involved. These activities can be grouped into three main stages, which are shown in the Franke value chain on page 25 and explained on the following page.

Upstream activities are everything that happens before a product is manufactured. This includes sourcing raw materials, components, and finished goods; logistics (e.g., inland, warehousing, global forwarding); services (e.g., marketing and communications, IT, consulting, business travel); facilities management (e.g., water, energy, fuel supply); and maintenance, repair, and operations.

Direct operational activities cover what happens within Franke's own operations on a day-to-day basis. This includes energy use management (heat and electricity); production/assembly processes; transportation within Franke; waste and wastewater management; employee management; infrastructure maintenance; IT; R&D; and water use management.

Employees by region 2025

IN FTE AT YEAR END	AMERICAS	ASIA PACIFIC	CENTRAL & EASTERN EUROPE	MIDDLE EAST & AFRICA	WESTERN EUROPE	TOTAL
Total number of employees	1 048	1 519	1 076	485	2 867	**6 995**
Permanent employees	1 047	1 209	975	476	2 802	**6 509**
Temporary employees	1	310	101	9	65	**486**
Non-guaranteed hours employees	-	-	-	-	-	**-**
Full-time employees	**1 045**	**1 514**	**1 067**	**485**	**2 693**	**6 804**
Part-time employees	**3**	**5**	**9**	**-**	**174**	**191**

Employees by region 2024

IN FTE AT YEAR END	AMERICAS	ASIA PACIFIC	CENTRAL & EASTERN EUROPE	MIDDLE EAST & AFRICA	WESTERN EUROPE	TOTAL
Total number of employees	1 344	1 394	1 172	524	2 757	**7 191**
Permanent employees	1 344	1 124	1 046	498	2 685	**6 697**
Temporary employees	-	270	126	26	72	**494**
Non-guaranteed hours employees	-	-	-	-	-	**-**
Full-time employees	**1 339**	**1 390**	**1 143**	**524**	**2 592**	**6 988**
Part-time employees	**5**	**4**	**29**	**-**	**165**	**203**

Employees by region difference 2025/2024

IN FTE AT YEAR END	AMERICAS	ASIA PACIFIC	CENTRAL & EASTERN EUROPE	MIDDLE EAST & AFRICA	WESTERN EUROPE	TOTAL
Total number of employees	-22.0%	8.9%	-8.2%	-7.4%	4.0%	**-2.7%**
Permanent employees	-22.1%	7.6%	-6.8%	-4.4%	4.4%	**-2.8%**
Temporary employees	100.0%	14.6%	-19.6%	-65.4%	-9.6%	**-1.6%**
Non-guaranteed hours employees	-	-	-	-	-	**-**
Full-time employees	**-22.0%**	**8.9%**	**-6.6%**	**-7.4%**	**3.9%**	**-2.6%**
Part-time employees	**-29.8%**	**12.6%**	**-69.4%**	**0.0%**	**5.6%**	**-5.7%**

Downstream activities describe what happens after products leave Franke. This includes the use phase of our products; distribution (mainly B2B); customer safety (B2B compliance and support); end of life; and end-product waste and packaging.

Employees and workers who are not employees

The total number of employees remained stable in 2025, with an overall reduction of 2.7%. Here we provide the regional breakdown.

The 22.0% decrease in total employees in the Americas (196 employees) was largely due to the divestment of Faber North America in 2024. The majority of these (188) were permanent, full-time employees.

The number of employees in Central and Eastern Europe decreased across all categories. The decrease in permanent employees (71) was due to a reduction in the workforce in Franke Slovakia s.r.o., Elikor LLC (Russia), and Franke Küchentechnik AG (Switzerland). The decrease in temporary employees (25) was also due to the reduction in Slovakia. The 69.4% decrease in part-time employees in Central and Eastern Europe appears high but in absolute terms it reduced from 29 employees to 9. Similarly, the 65.4% decrease in temporary employees in the Middle East and Africa represented a reduction of 17 employees.

Franke locations in Asia Pacific account for our largest number of temporary employees (310). Almost all of these (309) were in China, which has a common practice of awarding contracts of a limited duration (typically three years) before providing a permanent contract. In 2025, temporary employees in Asia Pacific increased by 14.6%.

Similar to previous years, there were no employees on non-guaranteed hours contracts in 2025.

Employees by gender in 2025

IN FTE AT YEAR END	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Total number of employees	1 839	5 140	2	15	**6 995**
Permanent employees	1 668	4 825	2	14	**6 509**
Temporary employees	170	315	1	-	**486**
Non-guaranteed hours employees	-	-	-	-	**-**
Full-time employees	**1 718**	**5 069**	**2**	**15**	**6 804**
Part-time employees	**121**	**71**	**-**	**-**	**191**

Employees by gender in 2024

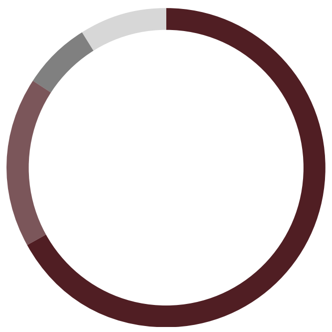
IN FTE AT YEAR END	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Total number of employees	1 982	5 186	2	20	**7 191**
Permanent employees	1 818	4 858	2	19	**6 697**
Temporary employees	164	329	-	1	**494**
Non-guaranteed hours employees	-	-	-	-	**-**
Full-time employees	**1 862**	**5 104**	**2**	**20**	**6 988**
Part-time employees	**120**	**82**	**-**	**-**	**203**

Employees by gender difference 2025/2024

IN FTE AT YEAR END	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Total number of employees	-7.3%	-0.9%	0.0%	-25.0%	**-2.7%**
Permanent employees	-8.2%	-0.7%	0.0%	-26.3%	**-2.8%**
Temporary employees	3.6%	-4.3%	-	-100.0%	**-1.6%**
Non-guaranteed hours employees	-	-	-	-	**-**
Full-time employees	**-7.7%**	**-0.7%**	**0.0%**	**-25.0%**	**-2.6%**
Part-time employees	**0.1%**	**-14.1%**	**-**	**-**	**-5.7%**

The number of males in part-time positions reduced by 14.1%, however in absolute terms this is a small change (11 employees). The significant decreases in the 'not disclosed' category were similarly only marginal changes in absolute terms.

Workers who are not employees



IN FTE AT YEAR END	2025	2024	DIFF. 2025/2024
Resource from Temporary Staffing Firm	513	417	23.0%
Apprenticeship	132	125	5.2%
Contractor	52	53	-1.8%
Internship / Trainee	68	50	36.0%
Total	**764**	**645**	**18.5%**

A worker who is not an employee is someone who performs work for Franke but is not directly employed by us. Examples include contractors and temporary staff. The 23.0% increase in workers from temporary staffing firms was mainly due to the establishment of a shared service centre in India in 2024, resulting in increased temporary staffing as the centre further expanded in 2025. Further temporary staff were also required to support the integration of Nokite EcoSmart Water Heating Systems (Guangdong) Co. Ltd.

The 36.0% increase in internships/trainees reflects our increasing focus on nurturing young talent and providing more opportunities for school and college leavers. In particular, the new summer internship programme at Franke Foodservice Systems USA increased the overall numbers.

Functional split of all workers

IN FTE AT YEAR END	EMPLOYEES			WORKERS WHO ARE NOT EMPLOYEES		
	2025	2024	DIFF. 2025/2024	2025	2024	DIFF. 2025/2024
Communications and Public Relations	2	2	0.0%	-	-	-
Facility and Office Management / Health and Safety	55	50	9.5%	5	3	80.0%
Finance and Controlling	362	370	-2.0%	9	7	28.6%
General Management and Administration	97	107	-9.0%	56	58	-2.7%
Human Resources	124	131	-5.1%	25	31	-19.7%
Information Services	215	206	4.3%	9	9	0.0%
Legal and Compliance	6	6	0.0%	-	-	-
Marketing and Product Management	297	282	5.1%	7	6	15.6%
Operations - Direct Labour	2 072	2 277	-9.0%	474	350	35.2%
Operations - Logistic Outbound	538	580	-7.2%	73	99	-26.6%
Operations - Manufacturing Overhead	778	789	-1.3%	25	15	63.3%
Operations - Material Overhead	583	617	-5.4%	48	43	13.1%
Research and Development	309	275	12.7%	8	3	153.3%
Sales	1 557	1 501	3.7%	27	22	23.1%
Total	**6 995**	**7 191**	**-2.7%**	**764**	**645**	**18.5%**

There was an 18.5% increase in total workers who are not employees in 2025 (an additional 119 workers), with the biggest increase for Operations – Direct Labour (124 workers). This was largely due to a change in how we categorise functions. In absolute terms, the increases for the other functions were minor.

For employees, the largest percentage change was a 12.7% increase in Research and Development employees. Part of this increase was due to entities acquired in 2024 which were included in the 2025 data for the first time.

While GRI requires us to only show the difference between functions for workers who are not employees, we also include this detail for employees as well to provide a complete picture.

Diversity: female employees compared to the prior year (headcount)

	NUMBER OF WOMEN 2025	TOTAL 2025	% OF TOTAL 2025	NUMBER OF WOMEN 2024	TOTAL 2024	% OF TOTAL 2024
Supervisory Board	1	6	17%	1	6	17%
Executive Board	1	7	14%	1	8	13%
Management Level 1 (reporting directly to Management Board)	19	79	24%	20	81	25%
Management Level 2 (reporting directly to Management Level 1)	87	304	29%	78	299	26%
Total employees*	**168**	**774**	**22%**	**174**	**759**	**23%**

* The shares are based on the list of employees (headcount), which differs from FTE (full-time equivalent) used in other tables. In the event of missing gender data, we extrapolated this information based on existing gender data.

Governance

Members of the Board of Directors

MEMBER	CITIZENSHIP	YEAR OF BIRTH	TENURE	OTHER SIGNIFICANT POSITIONS & COMMITMENTS	RELEVANT COMPETENCIES
Chairman					
Alexander Pieper	Swiss	1983 († June 2026)	Member since 2018 and Chairman since 2023	Since 2016, Alexander Pieper was the owner of the Kraftwerk Group AG, of which he was CEO from 2017 to 2023. He joined the Artemis Group in 2023 as a member of the Group Management and was responsible for overseeing a part of the Artemis Asset Management Group.	Alexander Pieper had a professional background in industrial engineering. He worked for the Franke Group for 13 years in various management positions in Switzerland and abroad. He was a member of the Board of Directors of Artemis Holding AG since 2015 and was appointed Chairman of the Board of Directors of Franke Holding AG in 2023. Additionally, he was a member of the Artemis Group Management since 2023.
Non-Executive Directors					
Michael Pieper	Swiss	1946	Member since 2013	Michael Pieper is President/ CEO of the Artemis Group. He is a member of the Board of Directors of several Swiss companies such as Forbo, Arbonia, Autoneum and Bergos, as well as Duravit.	Michael Pieper holds a master's degree in Business Administration from the University of St. Gallen, Switzerland. He has owned Franke since 1989 and managed the Group until 2012. Prior to that, Michael Pieper worked for several years in the USA in various management positions in banking.
Patrick Naef	Swiss	1965	Member since 2018	Patrick Naef is a consultant to organisations involved in the digitalisation and coaching of IT executives. He serves on several boards of start-ups and on advisory boards of technology companies and venture capital firms in Silicon Valley.	Patrick Naef holds a degree in Computer Science Engineering from ETH Zurich, Switzerland, and an Executive MBA from the University of St. Gallen, Switzerland. From 2006 to June 2018, he was CIO at Emirates Airline & Group in Dubai and, at the same time, a member of the Board of Directors of SITA, a global telecommunications and IT company owned by airlines. He was also CEO of Mercator, a subsidiary of Emirates Group, from 2006 to 2014. Other professional positions include CIO at SIG and Swissair, as well as senior positions at Zurich Insurance, HP, and Bank Julius Baer.
Martin Klöti	Swiss	1973	Member since 2024	Martin Klöti joined the Artemis Group in 2023 as CFO and member of the Group Management.	Martin Klöti is a chartered accountant and a federally certified fiduciary. He started his career with a Swiss fiduciary. Martin was an auditor for trade and industry at Deloitte, and later, CFO and a member of the Group Management at Schweiter Technologies Group where he spent over nine years.

MEMBER	CITIZENSHIP	YEAR OF BIRTH	TENURE	OTHER SIGNIFICANT POSITIONS & COMMITMENTS	RELEVANT COMPETENCIES
Dr. Michael Reinhard	German/ Swiss	1956	Member since 2018	Dr. Michael Reinhard is a member of the Board of Directors of the Swiss company Georg Utz Holding AG.	Dr. Michael Reinhard studied mechanical engineering at the Technical University of Darmstadt, Germany. He retired after 12 years with Geberit, where he was responsible for the Group Divisions Sales, Products and Operations as a member of the Group Executive Board between 2005 and 2017. Prior to this, Dr Michael Reinhard held various management positions at Schott Glas and McKinsey & Company, among others.
Tanja Vainio	Finnish	1974	Member since 2021	Tanja Vainio is Country President Switzerland of Schneider Electric since 2022.	Tanja Vainio studied mechanical engineering at Tampere University of Technology in Finland and holds a degree in Civil Engineering/Supply Chain Management as well as an MBA from the Massachusetts Institute of Technology (MIT) Cambridge in the USA. She served for more than 20 years in various management roles for ABB in Switzerland, the Czech Republic, Finland, Hungary, Sweden, and the USA. From 2018 to 2021, Tanja Vainio was also a member of the Board of Directors at Impact Coatings AB in Sweden.

Members of the Management Board

MEMBER	POSITION	CITIZENSHIP	YEAR OF BIRTH	TENURE	RELEVANT COMPETENCIES
Patrik Wohlhauser	President/ CEO, Franke Group	Swiss	1964	Since 2018	Patrik Wohlhauser holds a master's degree in Business Administration from the University of Freiburg, Switzerland. Before joining Franke, he was CEO at Wittur Holding GmbH, a leading global manufacturer and supplier of components for elevator construction. For the 15 years prior to that, he had various management roles at Evonik and Degussa, respectively, including Head of the Business Units Construction Systems Europe and Exclusive Synthesis & Catalysts. In 2011, Patrik Wohlhauser was appointed to the Executive Board of Evonik Industries AG with responsibility for the Consumer, Health & Nutrition segment. In 2014, as Chief Operating Officer (COO), he assumed responsibility for the entire chemical business. Prior to his time at the leading German global industrial group for specialty chemicals, he worked for Sandoz International AG and MBT Schweiz AG.
Walter Scherz	CFO, Franke Group	Swiss	1977	Since 2024	Walter Scherz holds a master's degree in economics from the University of St. Gallen, Switzerland. He has held various management positions at the Datwyler Group for over 10 years. From 2020, he was a member of the Executive Management and headed the Finance & Shared Services Group function as Chief Financial Officer (CFO). In September 2024, he joined Franke as CFO. Walter is a chartered accountant and started his professional career at KPMG.

MEMBER	POSITION	CITIZENSHIP	YEAR OF BIRTH	TENURE	RELEVANT COMPETENCIES
Markus Bierl	Chief Information Officer, Franke Group	German/ American	1964	Since 2001	Markus Bierl holds a master's degree in Business Engineering IT/OR at the University of Karlsruhe, Germany. He has worked for Franke in the US since 2001. During this time, he has taken on various managerial functions, most recently as CIO of Franke Foodservice Systems. Before Markus Bierl joined Franke, he worked in IT consulting and software development for international clients such as McDonald's, Mövenpick, and EAO.
Corrado Mura	President/ CEO, Franke Home Solutions	Italian	1972	Since 2025	Corrado Mura holds a Business and Managerial Economics degree from the University of Cagliari, Italy. He has spent more than 20 years in various leadership positions across Europe at Whirlpool Corporation, including roles as EMEA Market Integration Director, Commercial Director, and CFO. He joined Franke in March 2020, bringing extensive industry knowledge and international experience to the Group. Corrado most recently served as Vice President for the Europe, Middle East and Africa (EMEA) region within Franke Home Solutions.
Gianluca Mapelli	Chief Operating Officer, Franke Group	Italian	1970	Since 2016	Gianluca Mapelli holds a master's degree in Aeronautical Engineering from the Polytechnic University of Milan, Italy. In April 2016, he joined Franke subsidiary Faber S.p.A. in Fabriano, Italy, as Operations Director for Hoods. For 15 years prior to that, he held various management positions in Italy and China at Safilo, a leading eyewear manufacturer and one of the world's largest manufacturers of sunglasses and eyeglass frames, most recently as Plant Director. Before that, Gianluca Mapelli was in a managerial position at Otis Elevator in Italy.
Peter Revesz	President/ CEO, Franke Foodservice Systems	American	1974	Since 2021	Peter Revesz studied electrical engineering at Kettering University in Flint, MI/USA, and obtained his MBA from the Owen School of Management, Vanderbilt University in Nashville, TN/USA. He joined Franke Foodservice Systems in early 2021 as President of the Americas business unit before becoming President/CEO of Franke Foodservice Systems in September 2022. Prior to joining Franke, Peter Revesz served Hilti, Inc., most recently as President and CEO of Hilti Mexico and previously as head of the company's Southeast U.S. region.
Beat Sigrist	Chief Human Resources Officer, Franke Group	Swiss	1970	Since 2014	Beat Sigrist holds a master's degree in Business Administration from the University of St. Gallen, Switzerland. Before joining Franke, he worked at Sulzer as Head of Corporate Human Resources and was an Extended Executive Management Board member. Beat Sigrist has many years of extensive HR experience, acquired in senior HR functions at various industrial and telecommunications companies, including Swisscom and Bosch.
Marco Zancolò	President/ CEO, Franke Coffee Systems	Italian	1966	Since 2019	Marco Zancolò has a degree in engineering from the Technical University of Munich in Germany and an MBA from the IMD Business School in Lausanne in Switzerland. Marco Zancolò previously worked for Nespresso, where he started out as the B2B Commercial Director in Germany 16 years ago. He then took on various key positions in management at Nespresso, most recently as Head of Zone Europe. Before that, Marco Zancolò was a project manager at Boston Consulting Group and a member of the Board of Management at Feria Internationale Reisen GmbH.

Strategy, policies, and practices

Franke risk management systems

Franke has a comprehensive system in place to identify, assess, and manage risks across its business. Potential risks are addressed through quality, environmental, and occupational safety management systems implemented at various Franke sites. These systems follow the precautionary principle, meaning potential risks are considered and managed before they lead to harm.

At Group level, Franke Group Risk Management connects and coordinates these systems, in line with the ISO 31000 risk management standard. All Franke companies carry out an annual risk analysis to identify their most significant risks and ensure appropriate measures are in place. Clear contingency plans are defined to help sites prepare for and respond to unexpected situations.

All production sites are also required to maintain an emergency management plan, ensuring a rapid and competent response in the event of an emergency. In addition, employees traveling for business are supported by an external crisis support specialist in case of emergencies while abroad.

Compliance

Franke has a structured compliance management system based on three key principles: prevention, detection, and control. This system helps ensure that Franke operates in line with applicable laws, regulations, and internal standards. Compliance activities are directly overseen by Franke's Management Board and the Audit Committee, highlighting their importance at the highest level of the organisation.

Overall responsibility for compliance lies with Marcel Enz, General Counsel and Head of the Legal & Group Compliance department, who promotes adherence to legal and regulatory requirements across the Group.

At site level, compliance processes are implemented by the Group Compliance Officer, supported by local Compliance Officers. Internal audits are conducted based on a risk-oriented approach and cover key compliance risks such as the risk of corruption.

Franke's Corporate Compliance and Human Resources departments work together to raise awareness of human rights related topics, and to monitor compliance across Franke sites. This includes areas such as non-discrimination, equal opportunities and diversity, freedom of association, and the right to collective bargaining at all Franke sites.

Through this approach, Franke aims to promote responsible conduct, transparency, and fair treatment throughout the organisation.

Responsible sourcing

We have processes in place to identify, prevent, and mitigate negative human rights impacts at our production sites and throughout our supply chain. These processes include audits, certifications, and training for employees and suppliers. As detailed in the chapter 'Sustainable procurement', we use Sedex as a key tool to assess and manage risks related to human and labour rights and safe working conditions in our supply chain.

In 2025, we published a third-party ethical audit standard, detailing the criteria used to assess and accept third-party ethical audit requests. For sites classified as medium or high risk, based on Franke's risk assessment criteria, Franke recommends SMETA Audits (Sedex Members Ethical Trade Audit). SMETA is one of the world's most widely used ethical audit formats and is based on the Ethical Trading Initiative (ETI) Base Code and local laws. If a supplier proposes an alternative audit approach, a comprehensive justification must be provided. All risk assessments and audit requirements are applied at the individual site level, rather than at the company level.

To support understanding and compliance, we host educational webinars for suppliers and procurement teams. These sessions focus on responsible sourcing topics, upcoming regulations, and the importance of transparency and disclosure through Sedex. We also conduct one-to-one engagements with suppliers where necessary or requested.

If a supplier is found to be in breach of any of the requirements in the Supplier Code, Franke will request the supplier to provide a corrective action plan. If Franke deems that the plan is not sufficient, or if the issue cannot be remediated, Franke reserves the right to terminate the contractual agreement.

Regarding conflict minerals, Franke Holding AG (including its Swiss subsidiaries) has established processes to ensure compliance with Swiss legislation. However, Franke is currently exempt from the Swiss due diligence and reporting requirements for minerals and metals from conflict and high-risk areas.

Code of Conduct

The Franke Code of Conduct (the Code) consists of 15 clearly structured ethical principles. An e-learning programme guides employees on all aspects of the Code, and employees are encouraged to seek advice from their line managers or HR representatives if they have questions relating to any aspects of the Code or other responsible business conduct policies. Franke's online Code of Conduct training courses cover the importance of legal compliance, particularly with regard to anti-corruption, anti-trust law, product requirements, third-party industrial property rights, data protection, and trade restrictions. All new hires are required to complete the training during the onboarding process, with training repeated every two years thereafter. By the end of 2025, 96% of eligible employees (4,840) had completed the Code of Conduct training module and 92% of applicable employees had completed the additional anti-trust and anti-curruption modules. These additional modules are mandatory for risk-specific groups (totalling 980 employees in 2025), and training must also be repeated in two-year cycles.

Membership associations

Franke has been a member of the UN Global Compact since January 2011. Franke also takes part in a range of international and industry organisations that support responsible business practices. These memberships help the company collaborate with others, stay informed on sustainability topics, and continuously improve its social and environmental performance. The associations include:

- **APPLiA**, a Brussels-based trade association representing the household appliance industry in Europe. APPLiA promotes innovative and sustainable policies for European homes. Franke's Code of Conduct is closely aligned with APPLiA's Code of Conduct, which promotes fair working conditions, social responsibility, and environmental performance.
- **CDP**, a not-for-profit organisation that runs a global disclosure system for environmental impacts. Franke encourages its key suppliers to disclose their environmental impacts through CDP, helping improve transparency and environmental management across the supply chain. Franke also discloses its own impacts through CDP.
- **öbu**, a Swiss association and think tank for ecologically conscious corporate management. öbu promotes the implementation of advanced sustainability standards in business.
- **Science Based Targets initiative (SBTi)**, an organisation that helps companies set emissions reduction targets aligned with climate science. Franke has validated its science-based emissions reduction targets with SBTi.
- **Sedex**, a global platform that helps companies manage and improve working conditions in their supply chains. Sedex supports the protection of human and labour rights and encourages safe and fair working environments at supplier sites.

Stakeholder engagement

Stakeholders

The stakeholder visual depicts the stakeholders that Franke considered the most relevant to its operations and decision-making in 2025, and the engagement methods for receiving their feedback. These stakeholders are considered most relevant because they fulfill at least one of the following criteria: they exert a strong influence on Franke's economic, environmental, or social performance, and/or are strongly influenced by Franke's economic, environmental, or social performance.

Dialogue with external stakeholders remains decentralised at Franke, but we continue to work on developing a more unified engagement approach across the Franke divisions, which will enable more targeted and structured dialogues with external stakeholders in the future.

Most important stakeholders 2025

Customers and consumers

- Structured interviews with end consumers
- Panels and focus groups
- Customer surveys
- Feedback from Franke service technicians from their daily interactions with customers
- Feedback from key account managers
- Discussions at trade shows

Employees

- Franke Forum – the annual meeting of employee representatives (for the European companies) with a member of the Franke Management Board
- Works councils – consultations between members and the local Human Resources organisation and/or local management
- Internal communications – the CEO letter, OneFranke employee magazine, and Franke intranet
- Pulse check survey: a short employee questionnaire addressing a variety of employee well-being topics such as remote work, Franke culture, employee engagement
- Introductory programme for new employees
- Ad-hoc engagement opportunities and employee participation at plant level

Franke Group Owner

- General assembly of Franke Holding AG
- Board meetings for the Board of Directors of the Franke Group

FRANKE

Potential future employees

- Career days: participation in recruitment days at universities
- Promotion of the Graduate & Early Career (GEC) Programme among universities and contact with applicants
- Presentation of case studies at universities and support of university research projects

Suppliers and business partners

- Pre-screening and evaluation process for new suppliers
- Regular discussions between Franke procurement teams and suppliers
- Supplier Code of Conduct which all suppliers are required to sign before commencing contracts with Franke

Local communities and authorities, media, and regulators

- Consultation with and inclusion of the neighbours of production sites in larger construction projects
- Outsourcing of work such as assembling and packaging of products to institutions that provide home and work for disabled adults by different Franke companies

Disclosures on material topics

Process to determine material topics

Please see pages 72-73 of the Franke Group Sustainability Report 2023 for details on our materiality assessment.

Climate and energy

Energy consumption (in relation to net sales)

IN GJ/Mio. CHF	2025	2024	DIFF. 2025/2024
Electricity	110	102	8.4%
Natural gas	70	61	14.2%
District heating	6	6	-3.7%
Heating oil	4	5	-25.1%
LPG & Propane	2	2	-11.6%
Fuels	4	4	0.1%
Total	**196**	**181**	**8.6%**

The changes in Franke's energy consumption are explained in the chapter 'Climate and energy' (in absolute terms). The changes relative to net sales are slightly higher (8.6%) compared to the changes for the absolute values (0.6%) due to the reduction in net sales for 2025.

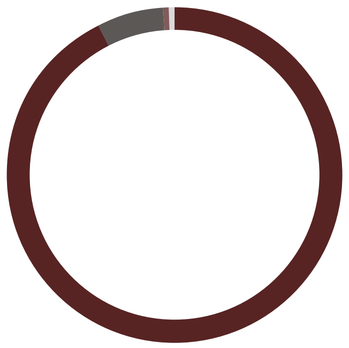
CO_2e emissions

	UNIT	2025	2024	DIFF. 2025/2024
Scope 1*	tCO_2e	8 708	8 697	0.1%
Scope 2	tCO_2e	14 365	16 720	-14.1%
Total CO_2e emissions (Scope 1 and 2)	**tCO_2e**	**23 073**	**25 417**	**-9.2%**
Relative CO_2e emissions	**tCO_2e/M CHF**	**11.272**	**11.501**	**-2.0%**

*The biogenic emissions related to CO_2 from our wood chip heating system account for 1,299 tonnes of CO_2 in 2025 and 1,383 tonnes of CO_2 in 2024. According to the Greenhouse Gas Protocol, these are not part of Scope 1 but need to be disclosed.

The changes in Franke's CO_2 emissions are explained in the chapter 'Climate and energy'. The absolute reduction (-9.2%) is higher than the reduction relative to net sales (-2.0%), due to the decrease in net sales in 2025.

Baseline year Scope 3 inventory (full)



SCOPE 3 CATEGORY	tCO_2e	IN % OF TOTAL SCOPE 3 EMISSIONS*
Use of Sold Products	19 470 244	92.2%
Purchased Goods and Services	1 399 468	6.6%
Capital Goods	88 960	0.4%
Upstream Transportation and Distribution	88 943	0.4%
Downstream Transportation and Distribution	18 894	0.1%
Employee Commuting	14 771	0.1%
Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	11 905	0.1%
End-of-Life Treatment of Sold Products	9 857	<0.1%
Waste Treatment	7 255	<0.1%
Upstream Leased Assets	3 708	<0.1%
Business Travel	1 163	<0.1%
Total	**21 115 168**	**100.0%**

* Due to rounding, percentages don't always add up to 100.

Scope 3 CO_2e emissions breakdown

IN tCO_2e	2025	2024	DIFF. 2025/2024
Cat. 1: Purchased Goods and Services	1 324 490	1 473 819	-10.1%
Cat. 2: Capital Goods	49 045	49 381	-0.7%
Cat. 4: Upstream Transportation and Distribution	81 385	106 242	-23.4%
Cat. 11: Use of Sold Products	13 682 466	17 339 045	-21.1%
Scope 3 Total	**15 137 386**	**18 968 487**	**-20.2%**

Our total Scope 3 emissions decreased in 2025 compared to 2024 by 20.2%.

- The changes within individual Scope 3 categories were largely due to more complete and granular data availability – enabling more accurate categorisation of activities and products and the application of more precise emission factors – as well as weakened market demand, which led to reduced volumes of procured goods.
- For Category 11 emissions, changes in the product mix sold, which resulted in a lower average emissions intensity per unit, together with decreased sales volumes, contributed to the 21.1% reduction for this category.

Resource use and circularity

Total water consumption remained stable in 2025 (162 m³ compared with 163 m³ in 2024). Total water withdrawal decreased by 11.7%, mainly due to improved efficiency and operational changes across several sites. This included the installation of a more efficient cooling system at one location, process improvements in cleaning and production activities at multiple sites, lower production volumes and changes in the product mix, and one entity no longer being responsible for maintaining surrounding fields.

At the same time, surface water withdrawal increased by 172% (+14,753 m³). This increase does not reflect higher water use, but rather a methodological improvement: one site switched from estimated consumption figures to direct measurements, resulting in more accurate data.

Water discharge decreased by 11.7%, largely due to the reasons stated for the decrease in water withdrawal.

Waste diverted from disposal

IN METRIC TONS	2025	2024	DIFF. 2025/2024
Non-hazardous compost*	24	11	120%
Non-hazardous other recovery options*	3 151	3 349	-6%
Non-hazardous recycling*	10 901	9 339	17%
Hazardous compost	-	-	-
Hazardous other recovery options*	116	149	-22%
Hazardous recycling*	155	150	4%

* Subsequent data corrections for 2024

Waste directed to disposal

IN METRIC TONS	2025	2024	DIFF. 2025/2024
Non-hazardous incineration with recovery*	489	526	-7%
Non-hazardous incineration without recovery*	313	581	-46%
Non-hazardous landfill*	1 704	3 450	-51%
Hazardous incineration with recovery*	32	8	306%
Hazardous incineration without recovery*	680	604	13%
Hazardous landfill*	157	138	14%

* Subsequent data corrections for 2024

Compared with 2024, the amount of non-hazardous waste sent to landfill or incineration decreased by 45.0%, largely due to an increase in waste materials being recycled and lower production volumes. The amount of hazardous waste sent to landfill increased by 14.0%, largely due to higher production volumes at Franke Home Solutions (Italy). Each production batch at the plant requires a final washing step, generating contaminated aqueous solutions and wash water that must be classified and disposed of as liquid hazardous waste. The increase was also due to the addition of new entity, WESCO AG, and the disposal of expired foam chemicals at Franke Foodservice Systems in the Philippines.

The amount of non-hazardous waste diverted from landfill/incineration increased by 10.8%, largely due to higher volumes of metal being recycled in Italy from the disposal of obsolete moulds, and an increase in production volumes at Franke Home Solutions India (Hoods). Further details on Franke's waste are provided in our GRI Content Index.

Safety and occupational health

Hazard identification, risk assessment, and incident investigation

Franke has a documented procedure for reporting and investigating workplace incidents.

Incident reporting and initial response

- Within 24 hours of an incident, plant management informs the relevant operations contacts.
- The same day, or at latest the following day, the involved shifts are informed in a team meeting.
- Within 3 working days, a call takes place between the Head of Global SHE and the responsible Head of Operations. A summary page and analysis template are prepared to document what happened and why.
- If required, a follow-up call is held to review the incident in more detail, including root causes, immediate and preventive actions, and lessons learned.
- Within 7 days of the call, the incident report is updated in the NeXT tool/DSFM system.
- Within 9 days of the call, the incident report is shared with the operations community. The report is translated for a toolbox meeting, with attendance confirmed by employee sign-off.

This structured process helps ensure transparency, timely communication, and continuous improvement in workplace safety across Franke operations.

Investigation process

The investigation process is initiated by the plant manager, who organises the following steps:

- Ensure care for the affected worker, colleagues, and the affected worker's family (where applicable).
- Secure and restrict access to the incident location,

- including relevant machine or system data.
- Appoint an investigation leader.
- Review similar situations across the organisation (horizontal expansion).
- Take photographs and map the incident location.
- Obtain evidence.
- Collect statements from key persons and witnesses.
- Formally approve clearance of the incident location.

If the incident involved a supplier, the supplier's manager or supervisor is notified. The supplier supports the investigation and provides all necessary information. Procurement, as the main contact with the supplier, is also informed.

The appointed investigation leader is responsible for the following activities:

- Conduct an initiation meeting with the investigation team and plant management, to agree on investigation scope and communication planning.
- Plan and conduct interviews with witnesses.
- Where possible, simulate the incident to better understand what occurred.
- Apply Root Cause Analysis using the standardised template.
- Formally approve clearance of the incident location.

The target lead time of the Root Cause Analysis (RCA) investigation and reporting is 10 working days.

Training and education

Average training hours

AVERAGE TRAINING HOURS PER EMPLOYEE	LEADERSHIP DEVELOPMENT PROGRAMME [TBC]	FRANKE PROJECT MANAGEMENT TRAINING	EDUCATION FIRST ENGLISH TRAINING	ONE FRANKE TALENT PROGRAM	LINKEDIN LEARNING	SHARPIST	TOTAL ACROSS ALL TRAININGS
Total across all categories	**0.55**	**0.20**	**0.09**	**0.21**	**0.84**	**0.04**	**1.92**
Split by gender			not available				
Women	0.89	0.34	0.24	-	-	-	1.46
Men	0.43	0.15	0.03	-	-	-	0.61
Split by function			not available				
Communications and Public Relations	-	-	-	-	-	-	-
Finance and Controlling	0.10	0.31	-	-	-	-	0.41
General Management and Administration	1.77	1.15	-	-	-	-	2.93
Human Resources	0.69	0.68	-	-	-	-	1.37
Information Services	0.33	0.26	-	-	-	-	0.59
Legal and Compliance	0.00	0.00	-	-	-	-	0.00
Marketing and Product Management	0.58	1.23	-	-	-	-	1.81
Operations	0.08	0.06	-	-	-	-	0.14
Other	6.36	-	-	-	-	-	6.36
Research and Development	0.00	0.18	-	-	-	-	0.18
Sales	0.35	0.22	-	-	-	-	0.56

We have collected this data and presented it in accordance with *GRI 404-1 Average hours of training per year per employee*, providing employee participation in trainings according to gender and function where possible.
Only trainings organised centrally are included in this table.

Trainings that are organised on a divisional or local level (e.g. Product and Sales Excellence training) are not yet tracked or consolidated at the Group level. We are working on including this for future reporting cycles.

My Contribution Dialogues for managers versus non-managers

The My Contribution Dialogue is a tool that supports employees and managers in discussing performance goals and development opportunities. Further details about the tool are provided in the section on Talent management and career development in the chapter 'Employee training and education' in this report and in the 2024 report. This table shows the number and percentage of employees who have an email address and used the My Contribution Dialogue (MCD) tool to set at least one goal or not, categorised by whether they manage people or not. This data relates to *GRI 404-3 Percentage of employees receiving regular performance and career development reviews.*

MCD: YES OR NO	NO		YES	
MANAGING PEOPLE	# OF RESPONSES	% OF RESPONSES	# OF RESPONSES	% OF RESPONSES
No	3 006	55.0%	626	24.8%
Yes	1 357	11.4%	477	8.7%
Total	**4 363**	**66.4%**	**1 103**	**33.6%**

Other

The table below is intended to provide additional financial context about the Franke Group. Among others, it shows our net sales, a figure we have used in the calculation of some disclosures to demonstrate the situation relative to the year's financial performance.

Profitability

IN M CHF	2025	2024	DIFF. 2025/2024
Net sales	2 047	2 210	-7.4%
Investments	57	124	-54.5%
Employees at year end	6 995	7 191	-2.7%
Group companies	64	62	3.2%

Impressum

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Acknowledgments
We would like to thank all colleagues who contributed to this report for their commitment, collaboration, and dedication to improving the quality and completeness of our sustainability data.

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