

Sustainability Report

AMAG Group AG

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We're powering ahead.

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A look inside the company

In the full version of the report (available in German, French and Italian), you can find additional fascinating insights into the business's operations and find out what AMAG employees are doing to support sustainability.

Print version on request

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INTRODUCTION

01

Editorial

We're powering ahead with our sustainability drive and want to become the leading provider of sustainable individual mobility. Achieving this goal will require a huge collective effort. This report provides transparency into our chosen path.

01 Introduction → Editorial



The Board of Directors stands united behind the Executive Board in the drive to improve sustainability

“A sustainable corporate culture and strategy are part of AMAG’s self-conception as a Swiss family business.”

A sustainable corporate culture and strategy are part of AMAG’s self-conception as a family business with 77 years of history. Based on the successful representation of the Volkswagen Group brands in Switzerland, the company has gone from strength to strength over the years. AMAG Ueberland introduced a Mövenpick restaurant as far back as the late 1950s in what was at the time a revolutionary move aimed at enhancing the dealership experience. The founding of Automation Center AG a few years later represented an early investment in automation and efficiency enhancement. Customer focus and digitalisation remain at the heart of the AMAG Group’s strategy to this day as it strives to become the leading provider of sustainable individual mobility. Far from being a trend, sustainability represents a fundamental change for society and business.

The disclosure of company data is new to the AMAG Group – as a family business, we have not once in our long history published an annual report. Our Sustainability Report marks a new chapter and provides transparency into our ecological, social and economic footprint. It also signals our desire to be publicly judged by our deeds.

People are at the heart of everything we do. ENGAGE encapsulates our commitment to our employees and society. We are positive that employee diversity is absolutely key for any company that wants to be productive and successful now and in the future.

FAIRPLAY here at the AMAG Group encapsulates initiatives for good corporate governance, all we do to ensure the integrity of our business conduct, the promotion of occupational health and the issue of cybersecurity. We are firmly and unwaveringly committed to legally and ethically correct conduct. That’s why we have a zero-tolerance policy when it comes to illegal agreements affecting competition. NET ZERO encapsulates all our commitments and efforts to protect the environment and climate.

We as a company want to be climate-neutral by 2025 and, as part of the Science Based Target initiative, also aspire to achieve a climate-neutral footprint pursuant to Net Zero by 2040. The VW Group’s product portfolio forms the basis for this ambition. Our goal is for plug-in vehicles – battery-electric vehicles and plug-in hybrids – to account for at least 50% of our sales by 2025, at least 70% by 2030 and then 100% by 2040. The mobility of the future is electric – and AMAG also offers new resource-efficient mobility solutions. Car subscription company Clyde has been in business since 2019 and will complete its transformation into an all-electric mobility ecosystem by 2024. More and more of our business customers are also calling for sustainable solutions. With its new E-Mobility Solutions team, AMAG provides complete solutions for corporate

and fleet customers – offering comprehensive advice on vehicles, charging infrastructure, financing, fleet management, including charging and billing solutions, as well as engineering and project management for infrastructures. Together with companies and housing developments, we are piloting the clever networking of different forms of transport using mobility-as-a-service solutions. New technologies and new usage models are increasingly becoming part of everyday life. Our customers can already go online to buy, sell or subscribe to vehicles, arrange appointments, and submit claims. We want to make interacting with us as easy and personalised as possible for our customers.

AMAG has also set up a climate and innovation fund that invests in technologies and business models whose goal is to decarbonise mobility. Last year, the fund took a stake in the Swiss ETH spin-off Synhelion AG, which produces solar fuels using a new thermochemical process. On top of this, one of the focal points of our climate strategy is neutralising non-avoidable emissions and, with this in mind, we have signed a long-term CO₂ removal agreement with Climeworks – the leading player in the direct air capture industry.

Customer focus, digitalisation and a sustainable business policy remain the cornerstones of what we do. To achieve the targets set out in our climate strategy, we are also reliant on the right conditions being in place at a political level and on the sustainable transformation of further sectors such as the energy industry and the property market. We're powering ahead and invite other companies to join with us to help secure Switzerland's future as a business centre.

This report is designed to inform our customers and inspire our employees to help shape our chosen path. Sustainable success requires a huge commitment from all of us.

We're powering ahead.



Martin Haefner
Chairman of the Board of Directors



Helmut Ruhl
Chief Executive Officer

Our vision: we want to become the leading provider of sustainable individual mobility.

The AMAG Group at a glance

AMAG Group AG is the leading Swiss provider of sustainable individual mobility and has the following subsidiaries:

AMAG Import AG imports and distributes vehicles from the Volkswagen, Audi, SEAT, CUPRA, ŠKODA and VW Commercial Vehicles brands through Switzerland's largest network of representatives comprising more than 450 dealerships and service partners. AMAG Import AG also has a Customer Service department that provides technical support for the dealerships and service partners as well as offering brand-specific and across-the-board support. A modern training centre gives AMAG Import AG the tools it needs to equip employees throughout the organisation with the latest knowledge they need – both on the technical side and for any aspects relating to sales or customer focus.

With over 80 AMAG Retail Garages, **AMAG Automobil und Motoren AG** operates Switzerland's largest dealership network. The AMAG Retail Garages guarantee their customers across-the-board support of an exceptionally high standard. Services offered by the AMAG Retail Garages include sales, repair and servicing as well as advice on leasing and insurance issues.

AMAG Leasing AG offers financing solutions for private individuals and companies. Leasing is a popular form of financing and, for many people, the best way of fulfilling their mobility dreams. AMAG Leasing AG sees to it that the agreements are financially affordable for its customers.

AMAG First AG – the largest Porsche dealership organisation in Switzerland – makes customers' dreams come true at a total of six Porsche Centres. AMAG First AG stands for premium quality and first-rate service.

AMAG Services AG holds the Swiss licence for Europcar and Ubeeqo and, with more than 80 stations, is the number one in the rental car business. In keeping with its "happy to help" motto, Europcar Switzerland helps ensure unrestricted mobility, offering a range of services that goes far beyond conventional car rental – including valet parking at airports and chauffeur services that get customers to their destinations in comfort and with zero stress.

AMAG Parking AG covers further aspects of mobility with several public multistorey car parks at central locations in Zurich, Bern, Schaffhausen, Olten and Cham.

mobilog AG operates a state-of-the-art parts logistics centre to ensure that almost 100% of all genuine spare parts ordered reach the garage within half a working day. The ability to meet customers' mobility needs any time and anywhere requires logistics performance of the very highest order.

The AMAG Group also operates an **Innovation & Venture LAB** that covers three areas – "Smart City", "Mobility as a Service" and "Connected & Autonomous Car" – developing and piloting new, independent business models and investing in promising start-ups.

The **Board of Directors** at AMAG Group AG comprises five non-executive members, none of whom have previously been on the Group Executive Board or the AMAG Group management team: Martin Haefner (Chairman), Josef Felder (Vice Chairman), Raymond Bär, Anita Hauser and Peter Widmer.

The **Group Executive Management** team at AMAG Group AG, which reports to the Board of Directors, comprises Helmut Ruhl (CEO) and Martin Meyer (CFO). The Executive Board comprises the Group Executive Management team plus Mathias Gäbler (AMAG Automobil und Motoren AG), Nicole Pauli (AMAG Leasing AG, since 1 January 2022), Olivier Wittmann (AMAG Import AG), Beat Jaeggi (mobilog AG), Hendrik Lütjens (AMAG Services AG and AMAG Parking AG), Adriano Rossi (AMAG First AG), Philipp Wetzel (Innovation & Venture LAB), Lorenz Aebersold (Legal & Compliance), Anja Bates (Group Human Resources), Martin Everts (Corporate Development), Dino Graf (Group Communication) and Thomas Sauer (CIO & CDO).

Wording in this report

To make this Sustainability Report easier to read, AMAG Group AG and AMAG Group are hereinafter mainly referred to as AMAG.

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Sustainability strategy

Sustainability is one of AMAG's five strategic focal points. This establishes the relevance and the framework for the transformation that is needed.

01 Introduction → Sustainability strategy

Clear strategy in times of change

The automotive industry is in the midst of a transformation. And, like all transformations, this one involves a great deal of uncertainty. Having a clear strategic direction is therefore especially important, as it allows the company's resources to be directed at the core issues. And it has the important job of showing the employees the development path AMAG wants to follow. So rather than being just an idea, strategy is something that everyone within the company supports and implements. AMAG's corporate strategy has five focal points: "Sustainability, our "Business", our "Customers", "Digitalisation" and our "Culture".

Ensuring a good future is our business

In its core business areas – import, sales, financing, leasing, vehicle maintenance, vehicle logistics – AMAG wants to maintain its leading position and build on its successes. AMAG wants to understand customers and their mobility needs even better and, with new products and services, make it even easier for them to enjoy great mobility now and in the future.

Customer focus and efficiency enhancement through digitalisation

Through further digitalisation, we want to understand new customer needs even quicker and satisfy individual requests and requirements. By way of example, more and more customers want to go online to buy new and used vehicles contactlessly in future. Or they want to switch seamlessly from offline to online during the purchase process. For this, AMAG will develop customer-friendly solutions that call for further investment in digitalisation. Digitalisation will also have a major role to play in simplifying internal processes, speeding up procedures and thus boosting the company's efficiency.

Building on our strong social culture

Established in 1945, our Swiss family business has a strong corporate culture. Now and in the future, AMAG aims to be an attractive employer, value its 6500 employees, and continually support their education and training. Education and training are intended to embolden and empower the workforce for the



Mobility solutions for a good future

upcoming transformation. With around 740 trainees, we are investing in the younger generation and are committed to the dual education system. The company would like to do even more to encourage diversity and equal opportunity, and has launched programmes with this in mind. Embracing social responsibility is important to the company outside of business, too; be it supporting people's performances at the Zurich Opera House, refugee integration schemes or the Family Business Award foundation that promotes the mindset, intrinsic values and involvement of family businesses.

A business run on high ethical standards

In the area of economic sustainability, a series of modern governance and compliance policies and standards ensure that the business is run correctly, fairly and with integrity. AMAG has imposed modern governance structures on itself and clearly separated its different business areas – such as import, retail, leasing and logistics – in terms of both their management and their legal structures. In the context of economic sustainability, AMAG is also a strong advocate of occupational health and safety.

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Smaller ecological footprint

Like the automotive industry as a whole, the area where AMAG needs to catch up most is ecological sustainability. To ensure this happens quickly, the issue is deeply embedded in our corporate strategy. We want to reduce our ecological footprint significantly, promote electric mobility and partner up with companies such as Synhelion or Climeworks to actively address the issue of climate change.

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“By implementing a raft of measures, we will succeed in making a major contribution to Switzerland’s Long-Term Climate Strategy to 2050.”

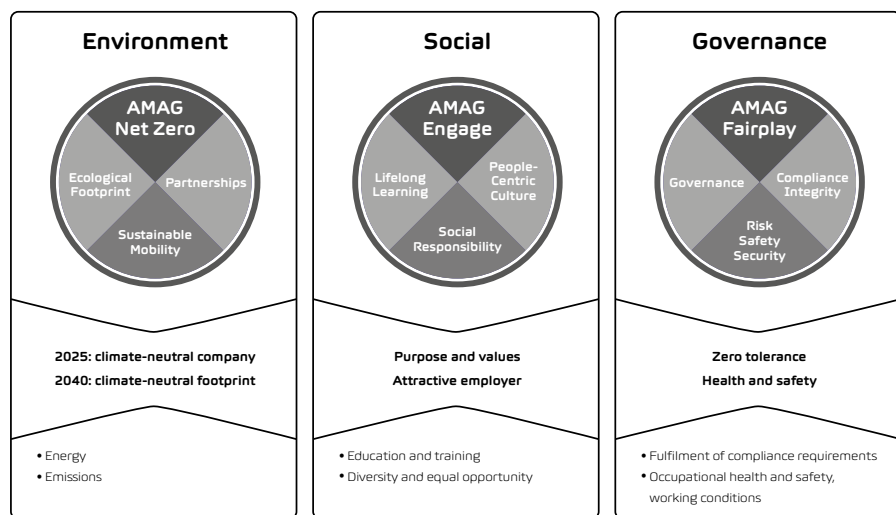
Emissions from the vehicles that our customers buy or we use ourselves account for the largest part of AMAG’s ecological footprint; we therefore need to promote electric mobility internally and externally – and invest in the development of synthetic fuels so that driving cars, even classic cars, doesn’t harm the environment in future. Fuels such as oil and gas – firstly used to heat the showroom and office areas and secondly required for the process heat in the painting facilities – account for a further significant part of AMAG’s ecological footprint. In future, there needs to be a complete switch from fossil fuels to heat pumps and renewable energy sources such as photovoltaics and district heating for heating the showroom and office areas. Technological innovations in the painting facilities and the use of modern and more sustainable paints will reduce energy consumption substantially.

Faster implementation

To ensure that, rather than being solely strategic, all these measures also encourage each Business Unit to implement its own environmentally friendly measures, an internal CO₂ levy of CHF 120 per tonne has been introduced. This makes emissions expensive and boosts cost-effective implementation of the measures. When it comes to implementing its sustainability strategy, AMAG is also reliant on partnerships. As an example, the company has signed a long-term agreement with Climeworks – a direct air capture start-up. And it has its own climate and innovation fund totalling CHF 10 million, with which it supports young companies and technologies that can help to slow and stop climate change. By implementing a raft of measures, we will succeed in making a major contribution to Switzerland’s Long-Term Climate Strategy to 2050.

Our action areas at a glance

AMAG Responsibility encompasses all we do to ensure that our actions within the company are sustainable and proactive. This has shone through ever since AMAG was established, and everything we do here is founded on this basic understanding. We further honed our sustainability mandate in the 2021 fiscal year and made it an integral part of our strategy. Following an ESG (Environment, Social and Governance) structure, we have set ourselves clear targets for actively living up to our ecological, social and economic responsibility.



AMAG sustainability strategy – underpinned globally and nationally

Sustainability is a joint effort

The economy and companies worldwide are now at a turning point – faced with new technologies and high social expectations regarding their approach to sustainability. AMAG is well aware of this responsibility and lives up to it. We base our actions on the United Nations (UN) Sustainable Development Goals (SDGs) and Switzerland’s Sustainable Development Strategy.



The 17 SDGs constitute the UN’s global plan of action for a sustainable future and are designed to enable an intact environment, well-being and peace by 2030. Switzerland has adopted the UN SDGs in its national strategy for sustainable development and set three priorities: “sustainable consumption and sustainable production”, “climate, energy and biodiversity” and “equal opportunity and social cooperation”. For successful implementation, the federal government is reliant on cooperation with business, cantons, communities and civil society. Specifically, it requires measures that reduce CO₂ emissions in Switzerland, ensure a high level of education and promote gender equality. In addition to this, it needs a framework that encourages the country’s capacity for innovation and creates investment incentives for sustainable development.

Global responsibility – national contribution







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AMAG’s sustainability strategy is based on a holistic approach in which economic, ecological and social aspects are interdependent and the 17 UN SDGs are viewed as a whole.

Given that our core business is in the automotive sector, we believe the areas where we currently have the most leverage are climate protection and the continual reduction of CO₂ emissions. Education is another area in which we can take effective action. Job profiles in the industry are changing on account of digitalisation and electric mobility. With one of the largest trainee intakes in Switzerland, our company can play a key role in shaping sustainable apprenticeships and equality. The AMAG sustainability strategy also encompasses ethically correct, transparent and exemplary conduct. We believe this is a must for establishing fair market conditions that strengthen Switzerland’s position as a business location over the long term.

Our commitment means we are making a direct contribution to achieving 6 of the 17 SDGs. The summary on the following page illustrates what we are currently doing, how we invest, what results we achieve with this and what impact our involvement has.

Our contribution to the SDGs

Goals	Input	Outcome	Impact
 4 QUALITY EDUCATION → AMAG Engage	AMAG is aware of the skills shortage and the transformation in the automotive industry. We are working on measures aimed at attracting young talent and career changers to the company.	In 2021, AMAG trained over 700 trainees in various disciplines.	We develop expertise to prepare AMAG and Switzerland for the new requirements in the mobility sector.
 5 GENDER EQUALITY → AMAG Engage	AMAG treats all customers, partners and employees with respect and consideration. We are motivated by the fact that variety and diversity are at the heart of any company that wants to be productive and successful over the long term.	In 2021, 6570 people from 72 different nations worked for AMAG. Women accounted for 9.9% of our 700 plus trainees.	With one of the highest trainee intakes of all Swiss companies, we are committed to creating an inclusive working environment founded on equality and equal opportunity.
 8 DECENT WORK AND ECONOMIC GROWTH → AMAG Engage → AMAG Fairplay	Sustainable economic growth is important for maintaining the quality of life in Switzerland. Fairness and compliance with the statutory requirements are indispensable for this.	AMAG has a zero-tolerance policy when it comes to illegal agreements affecting competition. In order to satisfy our stringent compliance requirements, we have provided antitrust law training for over 2000 employees and Code of Conduct training for over 6000 employees via e-learning.	We support Switzerland as a business location and are committed to conducting our business with integrity.
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION → AMAG Net Zero	The more electric cars become available, the more consumers’ curiosity is aroused. New issues come to light at the same time, and we want to address these competently.	In 2021, experts at the AMAG Academy trained over 2800 dealership employees. Furthermore, we have set up an information centre called “the square” and the electric mobility information platform drive-electric.ch. By establishing our own E-Mobility Solutions team, we are actively shaping the transformation – for our employees and our customers.	Consumers receive the best possible advice when buying a car. We promote interest and knowledge covering all aspects of electric cars and create incentives for our customers to switch to the new drive technology.
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  13 CLIMATE ACTION → AMAG Net Zero	AMAG has set itself the target of achieving a climate-neutral footprint by 2040. Our reduction path defines the annual reductions needed for this. We believe that the greatest potential for shaping sustainable and individual mobility lies in technological progress.	We introduced an internal CO ₂ levy in 2021, the proceeds of which flow into the AMAG climate fund. This fund invests specifically in Swiss technologies that promote climate protection and biodiversity. We invested in Synhelion in 2021 – to support the development of solar fuels by means of solar heat.	We create incentives for reducing CO ₂ and work tirelessly to achieve our climate targets. We promote the decarbonisation of the mobility sector in Switzerland.



**SUSTAINABILITY
IN ACTION 360°**

02

In dialogue

02 Sustainability in action 360 → In dialogue

Seven “behind-the-scenes” questions for Ina Walthert, Lead Group Sustainability



Ina Walthert

What actually makes an organisation or a company sustainable?

That very much depends on your understanding of sustainability. When sustainability gets mentioned these days, most people think of climate change. This is also very important; our environment should be the resource we give priority to. Because, without an intact ecosystem, there is no liveable environment. In a corporate context, the ecosystem is impacted either by the resources required for the business, the production process or the product. Technological developments can have a positive impact on these processes over the short or long term. But the human factor is also important – a company needs people if it wants to become more sustainable, yet people are also a resource worth protecting. A sustainable company keeps a close eye on all factors.

How do you reply to those who say that sustainability and the automotive industry don't go together?

I say that sustainability is a general term for the industry's willingness to transform, having recognised that the status quo is no longer tenable, given the current conditions. The automotive industry clearly didn't recognise the extent of the need quickly enough. That's why the transformation is now being pushed all the more resolutely, with a particular focus on technology. This is important, as the industry has a huge impact on the globally produced greenhouse gas emissions. But the transformation also needs consumers to be willing to change. In other words, sustainability can only succeed if everyone gets right behind it.

You also looked at sustainability from a scientific perspective at the University of Zurich. What is your experience of its implementation in corporate practice?

Science's role is to always be one step ahead – while the role of practice is to test the theory by trial and error. Consequently, both sides develop further. When I look back on my experiences in both areas, I see exactly this happening. The fact is that, on the corporate side, sustainability is now afforded more importance than it was just 10 years ago – more budget, more job advertisements, more C-level attention. This development can also be seen on the science side – more professors specialising in sustainability and a wider range of study courses available. All of this also impacts implementation.

AMAG is following a path to a sustainable future. How challenging and how long is this path?

The path is generally challenging and never ends. It's great that AMAG is facing up to this challenge. The motivation to help shape the transformation into a sustainable mobility world is high. Here the challenge does not lie in shaping sustainable mobility per se. If we view mobility in the classic sense, we already have an excellent and sustainable technology that is being advanced all the time, in passenger transport at least – namely electric mobility. There is a massive commitment to working on new battery solutions and on battery recycling. One challenge is to create suitable conditions in the context of highly individual mobility

needs, such as providing enough sustainably produced electricity or establishing a charging infrastructure. In other words, the mobility transformation is about a lot more than just providing a means of transport. Above all, people have to adapt at the same time. Needs are very different, depending on the stage of life people are at, their housing situation and their place of work.

This is AMAG's first Sustainability Report. What challenges did you have to overcome? And what opportunities do you see?

Lots (laughs). The involvement of the many different internal stakeholders needed to write such a report, for sure. And gathering the data for the environmental figures, which is central for implementing our climate strategy. As I only joined AMAG in November, I also learned a lot and learned very quickly at the same time. And it's precisely because not all processes and responsibilities have been finalised yet that there is still a great deal of room for manoeuvre. We can establish a new and professional sustainability set-up while learning from other companies and science. It's all very motivating.

How can you convince employees that sustainability needs to play a central role?

Sustainability is already on everyone's lips. The danger is that it gets misunderstood or is implemented with too little commitment. We therefore need clarity regarding what sustainability means in a specific corporate context coupled with leadership during its implementation. There are two more thoughts I'd like to add here. Firstly, there is already a lot of sustainability inherent in many areas of the company, where it's not even necessary to declare it as a separate task. The best example of this is the Human Resources department, which has always considered sustainability when addressing the issues of occupational health and safety, employee qualifications, and recruiting new talent. Sustainability in this sense is not a new task – rather a continual process in which you show willingness to improve as a company.

Secondly, the necessary know-how needs to be conveyed when new issues come to light. We choose this path at AMAG, too. The way in which we live up to our ecological responsibility and the goals we pursue in the process require a lot of information. On the one hand, we are now developing extensive training material for this. We are now developing extensive training materials for this, and I am also often contacted by employees who already have great knowledge of, and a personal interest in, sustainability. I try to use this interest and bring the issue into the organisation in this way.

In one sentence, what is your favourite bit of information from the AMAG 2021 Sustainability Report?

My personal highlight is the fact that AMAG has now published its first Sustainability Report. In it, we disclose our strategy and our progress – and we will continue to do so in future.

A look inside the company

In the following chapter, we show how AMAG puts sustainability into practice. For this, we have looked into three areas of sustainability – Fairplay, Net Zero and Engage – that demonstrate and illustrate our commitment to the main thrust of what we do.

02 Sustainability in action 360° → A look inside
the company

Fairplay

02 Sustainability in action 360° → Fairplay

At a glance

AMAG Fairplay encapsulates AMAG's initiatives for good corporate governance, all we do to meet the statutory requirements and ensure the integrity of our business conduct, the promotion of occupational health and safety, and the issue of cybersecurity. AMAG is firmly and unwaveringly committed to legally and ethically correct conduct. That's why we have a zero-tolerance policy when it comes to illegal agreements affecting competition, for instance. AMAG employs a risk and compliance management system adapted to the size of the company and aimed at ensuring continual and systematic management of business risks and opportunities.

Governance

To ensure that we add value sustainably over the long term, the Management Board and the Board of Directors are required to manage and monitor the company in accordance with established standards. This includes strict adherence to the two-person rule and the segregation of duties in our corporate and management structures. The AMAG Code of Conduct, which is binding for all employees, defines the company's core principles regarding everyday business conduct as well as dealings with colleagues, business partners and customers.

Risk, Safety und Security

Sustainable business success is achieved through early identification of opportunities and risks and through proactive management. AMAG implements a comprehensive risk management system and an internal control system (ICS) to ensure that risks are handled responsibly. All risk types are identified, analysed and quantified on a regular basis. AMAG implements the Group-wide risk management policies, supplementing them with specific factors as and when needed, depending on the general and regulatory requirements in its particular business areas.

Health and safety is a key issue for AMAG. Regular and target-group-specific further training courses for employees enable compliance with all the necessary safety standards throughout the AMAG Group.

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To combat the increased risk of cyberattacks in recent years, AMAG has developed a cybersecurity strategy and implemented it throughout the Group, the aim being to protect critical information, electronic customer data and IT systems. There are appropriate contingency plans in place, ensuring that suitable defensive measures are taken as and when needed. Cybersecurity is a top priority at AMAG.

Compliance and Integrity

AMAG has developed and implemented a comprehensive compliance programme. The tone from the top, "compliance is a management matter", is the basis for the company's far-reaching organisational and procedural measures. Compliance with the strict zero-tolerance policy when it comes to illegal agreements affecting competition is operationalised through a Code of Conduct and strict policies, while employees are kept up to speed through regular training courses and information campaigns. We have also set up a whistle-blower portal where employees and third parties can report potential misconduct – anonymously if they wish.

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A basis for compliance and exemplary conduct

The automotive industry, including AMAG, has repeatedly come under the scrutiny of the Swiss Federal Competition Commission. That's why, in 2019, the company introduced AMAG Fairplay – a commitment to going beyond mere compliance with laws and regulations and a commitment to displaying exemplary conduct. The Legal & Compliance team, newly established for this purpose, implements the requirements in practice – with clear rules and information campaigns.

The Swiss Cartel Act (Bundesgesetz über Kartelle und andere Wettbewerbsbeschränkungen, KG) is designed to protect free competition by preventing the harmful effects of cartels and other restraints on competition such as price fixing and territorial agreements. The Swiss Competition Commission (WEKO), an independent federal authority established in 1996, monitors the situation to ensure that the law is upheld. This authority applies the law, leads investigations into possible violations and can impose fines if violations are proven.

In 2021, AMAG and other licensees of the Volkswagen brands in Ticino remained the subject of an investigation launched in 2018. WEKO suspected bid rigging in the procurement of passenger and commercial vehicles for the public authorities in the period from 2006 to 2018. In 2019, it extended the proceedings to include other areas in the wake of a voluntary declaration issued by AMAG Automobil und Motoren AG. AMAG is cooperating fully with the authorities.

Regionally based industries at risk

Violations of the Swiss Cartel Act often arise due to contacts between fellow competitors, that is to say the employees of these competitors. Industries with many small enterprises that are active in the same region – such as the construction industry and also the automotive industry – are particularly at risk. But AMAG is clear about this: “There is zero tolerance when it comes to anti-competitive practices,” says Lorenz Aebersold, Head of Legal & Compliance at AMAG since 2019, “we cannot have another investigation.”

Illegal conduct violates the company's values, damaging its reputation and, therefore, its business. That's why, in 2019, AMAG introduced AMAG Fairplay – a commitment to going beyond mere legal and regulatory compliance and ensuring exemplary, transparent and ethically correct conduct in all its dealings with customers, partners and society. This fundamental stance is designed to build trust – among customers, on the market and within the authorities. Against this backdrop, AMAG Fairplay demonstrates the following to the employees:

- The laws and regulations relevant to AMAG
- How to interpret and comply with these laws and regulations
- How AMAG puts its values into practice and assumes responsibility
- What AMAG does to avoid risks

“An illegal agreement affecting competition happens more quickly than many people think.”

Lorenz Aebersold and his team were tasked with developing extensive policies for the compliance issues in the context of AMAG Fairplay and making these policies an integral part of daily business life. They include a Code of Conduct applicable to all employees, a Group Policy and leaflets relating to antitrust law, and Group Policies regarding gifts and invitations, conflicts of interest, data protection and other relevant issues.

The need for messaging that everyone understands

“My job and my team exist in this form because Fairplay and compliance are key issues for AMAG”, says Lorenz Aebersold. He started with information campaigns and intensive training courses focusing on competition law back in mid-2019 – and by the end of 2021, around a third of the workforce had completed these classroom-based courses. He describes the challenge he faces here as follows: “Our messages need to be equally understandable to all employees and get through to them all.” Because illegal agreements affecting competition happen more quickly than many people think. Here are some of the examples that Lorenz Aebersold presents in the AMAG Automobil und Motoren AG businesses:

- An attempt to find out whether a competitor in the region intends to increase its flat fee for delivery for the next year
- Discussing new promotional prices and discounts with a competitor over lunch or at a trade fair

- Two competitors swapping information about a customer that they both have dealings with
- Agreements with a competitor regarding territorial allocations such as who uses billboard advertising in particular regions or who places advertisements in what newspapers

These contexts and the applicable Code of Conduct are explained to new employees on their Welcome Day. Regularly updated information about Fairplay, compliance and antitrust law is also available on the Intranet. The issues of compliance and antitrust law are likewise integral components of the leadership training courses.

Anonymous whistle-blower portal

The information imparted also covers how to deal with potential misconduct. If employees are uncertain or suspicious of anything, they can approach their supervisor or HR manager or go directly to the Legal & Compliance team. Reports can even be submitted anonymously via the AMAG whistle-blower portal.

“For us, it’s also important to provide clear information about the consequences of breaching the rules”, says Lorenz Aebersold. Those involved in illegal agreements affecting competition risk far-reaching sanctions under HR law, which can go as far as instant dismissal. This “red card” was the focus of the zero-tolerance campaign jointly rolled out by Legal & Compliance and Group Communication in 2021.

“We’re allowed to make mistakes at AMAG because that’s how we learn. Except in the case of illegal agreements affecting competition, where a zero-tolerance policy applies.”

We’re powering ahead

You can find more authentic insights into the business’s operations and fascinating discussions with AMAG employees in the full version of our report.

A cyberattack and its consequences

In a globally connected world, information security is important for every company and forms part of a sustainable set-up. AMAG was already aware of this before its IT systems came under attack in 2020. Even though we managed to repel the attack at the last minute, it triggered a great many changes within the company.

Information technology is now a must in everyday business and delivers huge benefit, but it also harbours a multitude of risks: viruses can compromise data processing, while hackers can steal and misuse data or hold companies to ransom by encrypting data.

In 2020, AMAG witnessed at first hand just how high the IT risks now are. It's likely that an employee working from home clicked on a malware-infected Excel attachment in an e-mail back in late 2019, allowing hackers to access his PC and, through this, the AMAG network. In late January 2020, the Swiss National Cybersecurity Centre (NCSC, formerly MELANI) detected that a suspicious IP address had been contacted from within the AMAG network, whereupon it alerted the company. Just in time as it transpired.

The attackers – an internationally active, criminal group of hackers from Russia – were just about to locate and encrypt the backup of the entire AMAG network, with the aim of holding the company to ransom. By immediately disconnecting all systems from the Internet and deploying a crisis team, it was possible to avert this attack and prevent far greater damage. In spite of this, AMAG employees and, in some cases, our independent partners faced major constraints in their daily business until the end of March – with all the financial consequences this entailed.

A plan for ensuring sustainably secure systems

During the first weeks of the cyberattack, Roger Mattmann was already involved in acute crisis management – even though he was not due to officially take up his post as Chief Information Security Officer at AMAG – a position that was newly created in 2019 – until 1 April 2020. “We had to think ahead and develop a plan for ensuring sustainably secure systems”, remembers the IT security expert. It quickly became clear that the current IT network had been too compromised by the attack to be used again going forward. Between March and August 2020, Mattmann and the IT department therefore set up

An internationally active hacker group was just about to locate and encrypt the backup of the entire AMAG network, with the aim of holding the company to ransom.

an all-new and better-protected IT system called AMAG Clean and transferred the business over to it. “It required a massive effort on the part of all those involved”, says Roger Mattmann. Over 5000 PCs and notebooks had to be reconfigured at 150 locations, plus around 500 new servers with 57 applications. This work involved around 50 internal and external specialists, who together clocked up some 20,000 working hours – all the while having to guarantee the continuation of day-to-day operations.

A new perception of security

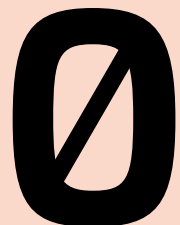
What conclusions does the Chief Information Security Officer draw from the cyberattack? “The attack changed the perception of security within the company – including garnering significant management attention”, says Roger Mattmann. But even the new system is open to attack, and cybercriminals are becoming increasingly sophisticated. Another conclusion that can be drawn is the fact that humans remain the weakest link in the chain and the way in for the hackers. AMAG therefore launched a campaign to further raise awareness among its employees in 2021, based on a figure called Troy created in 2019.

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Fairplay facts



tolerance

Fair competition

With its zero-tolerance campaign of 2021, AMAG addressed the specific issue of compliance with the Swiss Cartel Act. The campaign, based on the AMAG Fairplay principle and a series of succinct images and examples, was designed to show employees the areas in which zero tolerance applies and how easy it is to fall into a trap.

Pages 40 – 41

Training

AMAG trained 2000 employees in cartel law by the end of 2021.

Page 105

2000
employees



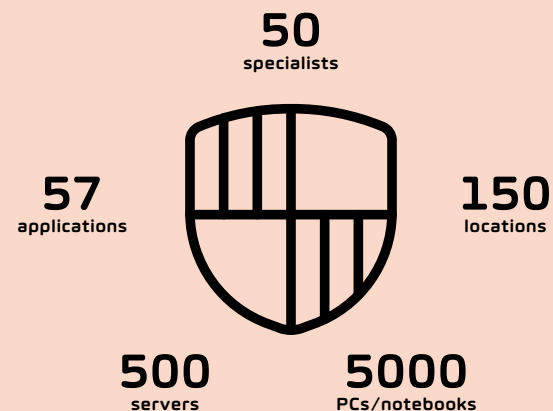
6000
employees

E-learning

What's still correct? What am I still allowed to do? AMAG has rolled out e-learning for the AMAG Code of Conduct to help employees act correctly. 6000 employees have already completed this course to date.

Page 105

50



Strong security

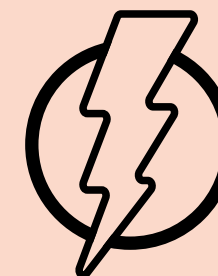
AMAG Clean is AMAG's new and better-protected IT system. This required the configuration of over 5000 PCs and notebooks at over 150 locations, around 500 new servers with 57 applications, and 20,000 working hours clocked up by around 50 internal and external specialists.

Page 47

The anti-hero brought in to boost cyber resilience

Troy is introduced as a testimonial – a young lad who actually doesn't look that suspicious at all raises employees' awareness of the risks the AMAG IT systems are exposed to every day. AMAG is also rolling out the Hoxhunt training program throughout the company.

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Safe!

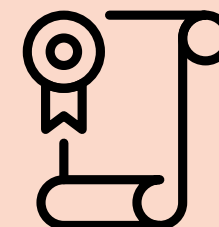
Well protected

No data theft or data loss in 2021
Page 127

EKAS certified

AMAG uses its own management system with occupational health and safety specialists.

Page 113



Net Zero

02 Sustainability in action 360° → Net Zero

At a glance

The AMAG Net Zero programme encapsulates all of AMAG's commitments and efforts to protect the environment and the climate. One of the focal points here is reducing the CO₂ emissions caused by the selling and running of vehicles. AMAG has also committed to the Science Based Targets initiative and bases its objectives on the Net-Zero Standard and the 1.5-degree target of the Paris Climate Agreement.

The newly created AMAG Group Sustainability Board, which includes the Managing Directors of all Business Units and the Group Executive Board, is responsible for managing the implementation of the climate strategy.

Ecological footprint

AMAG emits CO₂ during the course of its business activity, primarily through the consumption of petrol and diesel for running its own vehicle fleet and the use of fossil fuels such as heating oil and gas. Emissions are being reduced by the systematic electrification of the vehicle fleet, the switch to renewable energies – including the expansion of photovoltaic systems at all suitable locations – and a raft of measures aimed at increasing energy efficiency. In addition to a road map for improving the energy efficiency of our buildings, this includes shifting logistics to rail wherever sensible, the use of energy-efficient production methods – in our painting facilities, for example – and new services such as co-working spaces at the garages to reduce the need for replacement mobility while customer vehicles are in the workshop.

Sustainable mobility

AMAG's ambition is to achieve a climate-neutral footprint by 2040. This primarily concerns the CO₂ emissions of customers' vehicles on the road but also includes the emissions of our employees' vehicles while commuting or on business trips. Assuming the charging infrastructure conditions are right, the target is for plug-in vehicles – battery-electric vehicles and plug-in hybrids –

to account for 50% of our sales in 2025. This share is set to rise to over 70% by 2030. AMAG is not only electrifying its products, however; it also offers contemporary and resource-friendly mobility solutions with its new subscription and sharing models. Furthermore, it is also reducing work-related traffic by offering employees options for working at home or on the move – fully in keeping with the times.

Partnerships

AMAG believes that the greatest potential for shaping sustainable and individual mobility lies in technological progress. That's why it supports a number of promising projects with know-how and funding. AMAG was the first partner from the automotive industry to participate in the ETH Mobility Initiative at the end of 2020. Here, AMAG is currently taking part in three research projects, among other things aimed at reducing CO₂ emissions and developing synthetic fuels.

In addition to this, the company has launched its own climate and innovation fund that has raised around CHF 10 million through an in-house CO₂ levy.

This fund will invest in climate projects and innovations up to 2025, focusing on Swiss start-ups that conduct research in the fields of sustainable mobility and decarbonisation and develop new business models. The first investment involved taking a stake in the Swiss ETH spin-off Synhelion AG, which develops solar heat solutions that are used to produce solar fuels.

What's more, the AMAG pension fund has revised its investment strategy and will in future focus on a sustainable asset management approach. In its role as a financial services provider, AMAG Leasing AG has devised a Green Finance Framework, enabling it to raise targeted financing of electric mobility via the capital market and support the AMAG Group in the area of sustainable mobility.

→ See Investments in technological progress
Pages 64–66

→ See KPI report
Page 109



Actively shaping the e-mobility transformation

Up until just a few years ago, it was still uncertain how quickly electric mobility would take hold. The direction it is taking and the speed of progress are now clear. AMAG has prepared its organisation for this development, with key roles assigned not only to the individual brands but also to the E-Mobility Solutions team formed in 2021.

Those at the wheel of electric cars 15 years ago were widely derided as eco-fundamentalists with a love of suffering. Even just seven or eight years ago, it was still unclear how quickly the Swiss would switch to more climate-friendly vehicles – and hardly anyone at the time foresaw that VW CEO Herbert Diess would in 2021 predict a market share of more than 70% for electric vehicles by 2030. Up until 2019, it was mainly down to the individual brands to deal with the issue of electric mobility, but as the tasks and the need for Group-wide coordination started to increase rapidly, AMAG put in place the necessary resources across all of its brands. The challenge for the team was the fact that many employees are petrolheads who now face a fundamental shift in individual mobility.

→ See KPI report
Page 109



We particularly contribute to sub-goal
12.8 of the UN Sustainable Development Goals:

“By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature”

Empowering the organisation for electric mobility

In early 2021, a decision was taken to further expand the electric mobility issue within AMAG Import, which was at the same time renamed E-Mobility Solutions. “Solutions is the right word because we were always expanding our focus towards offering a holistic range of solutions”, says Marc Geissmann, who has led the fast-growing team since summer 2021. Whereas the brands concentrate on the vehicles, his team has strategic responsibility for the charging issue. “We want to actively help shape the mobility transformation”, says

Geissmann. At the same time, they are working on a number of projects aimed at empowering the organisation to handle electric mobility successfully, ranging from various training courses to the implementation of extended test drives for employees.

Many employees are petrolheads who now face a fundamental shift in individual mobility.

In implementing its e-mobility initiative, AMAG is often faced with customer uncertainties and preconceptions – relating to the range of the vehicles, the availability of electric charging stations in Switzerland and abroad, or EV performance, for example. It was a case of getting the employees on board on the road to the future, too. In rapid succession, the company therefore decided on a number of changes and measures that are to be implemented over several years, depending on the project and target group. These include the following:

- Empowerment of employees and development of skills for dealing with electric issues
- Special electric offers for employees, including sharing of costs for the home-charging infrastructure (charge@home) and free charging at the workplace (charge@work)
- Electrification of the company car fleet
- Expansion of the charging infrastructure at the company’s own locations with almost 1000 charging stations, around a quarter of which are also publicly accessible stations, including superchargers at central locations
- Calculator for fleet customers, providing an overview of the TCO for e-mobility solutions
- Opening of “the square” at the Circle at Zurich Airport (2021) – a new mobility hub and the first competence and experience centre for new sustainable individual mobility
- New resource-efficient mobility offers at Clyde, Ubeeqo and Europcar to promote electric mobility
- Launch of the community platform drive-electric.ch with answers to all questions relating to electric mobility (2021)

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Real estate and retail: working together for the environment

Optimising the energy efficiency of the building stock is a key measure for AMAG to reduce CO₂ emissions. A good coordination with the energy-saving efforts of the AMAG Automobil und Motoren AG plants is important in this challenging task.

When it comes to climate protection in Switzerland, real estate is a key issue, with around one third of CO₂ emissions generated by its building stock. For the AMAG Group, this figure is even slightly higher. Thomas Linder, Head of Real Estate, estimates it to be around 40% of the company's own CO₂ emissions. The properties therefore have a high priority in AMAG's sustainability strategy. Measures are closely linked to the companies that work in the buildings – the majority of these are garages, logistics properties and car body centres.

AMAG has already been working for several years to reduce CO₂ emissions from its properties. Some of the milestones are:

- First photovoltaic systems from 2007, still without on-site consumption; first larger photovoltaic system in 2012 at the high-bay warehouse in Buchs
- Since 2010, sustainable heat and energy generation with district heating at 5 locations and with heat pumps at 8 locations; new energy-efficient buildings
- Since 2014, large consumer model – specific measures with reduction targets at 20 locations with large consumption; measures to improve energy efficiency
- Since 2017, procurement of electricity from renewable sources, especially certified hydropower

Renovation with renewable energy sources

The challenges involved in renovating AMAG's properties to make them more energy-efficient are enormous. Thomas Linder: "Many of our properties are buildings from the 1970s and 1980s and are not optimised for low energy

consumption." Nevertheless, many of these buildings are now reaching a renovation phase in their life cycle, which offers opportunities for new measures. Replacing oil and natural gas heating systems with renewable energy sources such as district heating and heat pumps is a key point here. "We always assess the ideal time for replacement, for example in combination with a renovation – and for each renovation we draw up a roadmap with energy-related measures," explains Linder. Photovoltaic systems and intelligent building automation are other important elements. Today, when new buildings are planned, they are designed to be sustainable and energy-neutral right from the start.



Thomas Linder and Frank Böhmerle

When in doubt, invest in energy-efficient and low-CO₂ solutions

For Thomas Linder, the devil is in the details. "Every existing building is unique – and at the end of the day, the investments and the payback period have to work out, even if we are prepared to make certain sacrifices in terms of return." To this end, AMAG has set an internal CO₂ tonne price of CHF 120 in order to encourage people to invest in energy-efficient and low-CO₂ solutions when in doubt. An example of the devil in the details in existing buildings mentioned by Linder are the new photovoltaic systems on the roofs, which, with the necessary fall protection and shatter-proof skylights, can cause considerable follow-up costs.

→ See KPI report
Page 107

Close cooperation between the business units

Linder and his team work closely with the AMAG Group's business units on both the renovation of existing properties and new buildings. This involves heating and cooling the buildings as well as process heat. Frank Böhmerle, Chief Technical Officer at AMAG Automobil und Motoren AG, adds: "For an optimal result, we have to coordinate building and operation very well." This

"Even people from Tesla came to have a look."

applies in particular to the energy-intensive paint shops, but there is also a lot of potential for improvement in the garages, for example with compressors, lifting platforms and lifts. Böhmerle is focusing on successively replacing old plants and equipment with those that have lower energy requirements.



We particularly contribute to sub-goal 12.2 of the UN Sustainable Development Goals:

"Achieve sustainable management and efficient use of natural resources by 2030"

A milestone in the cooperation between real estate and retail was the planning of the new Carrosserie Center in Wettswil am Albis. For Frank Böhmerle, the outcome inaugurated in 2021 is a sense of achievement, "even people from Tesla came to have a look". AMAG Automobil und Motoren AG is also making progress in another environmentally relevant area: Business processes are to be handled digitally and paperless as soon as possible – which will massively reduce paper consumption with more than 1 million invoices per year.

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Investing in technological advances

Climate fund

In order to achieve its sustainability goals, AMAG internally promotes measures that contribute to reducing its own carbon footprint with a CO₂ price of CHF 120 per tonne. It is using these funds to endow a climate and innovation fund that promotes Swiss technology start-ups that contribute to slowing and stopping climate change.

Partnership with Climeworks

Climeworks uses a technology called Direct Air Capture to capture carbon dioxide directly from the air, thus reducing unavoidable and historical CO₂ emissions. The carbon dioxide captured from the air is either recycled and used as a raw material or completely removed from the air by means of safe



Direct Air Capture technology from Climeworks

storage. Climeworks' plants are powered exclusively by renewable energy or energy generated from waste. In 2017, the first plant was commissioned in Hinwil and in 2021 Climeworks opened the world's first large-scale plant in Hellisheidi, Iceland. AMAG owner Martin Haefner has been an anchor investor in the company from the very beginning through the investment company Big Point Holding AG. Since 2021, the AMAG Group has also been working more closely with Climeworks. AMAG aims to reduce 90% of its emissions by 2040, and to achieve this, 10% of emissions will already be eliminated by Climeworks in the next few years. By 2040, 50% of the remaining emissions are to be eliminated by means of this ground-breaking Swiss innovation.

Green finance framework

AMAG now also offers investors with a sustainable investment focus the opportunity to invest in the transformation of the industry. As part of this, AMAG Leasing AG developed a Green Finance Framework in 2021 and issued the first Green Bond. The Green Finance Framework is consistent with the 2021 version of the ICMA Green Bond Principles (GBP) and Green Loan Principles (GLP), which are a set of voluntary guidelines that advocate transparency and disclosure and promote integrity in the development of green financial markets.

AMAG Leasing AG has a portfolio of around 180,000 leasing contracts with a value of over CHF 4 billion. AMAG Leasing AG intends to use the Green Finance Framework to gear this portfolio towards sustainable mobility. Specifically, battery electric vehicles (BEV) and plug-in hybrids (PHEV) are to be strongly incentivised with a maximum of 50 g CO₂ emissions per kilometre. In addition, the framework enables investment in photovoltaic infrastructure to accelerate the energy transition.

By realigning its position on the capital market, AMAG intends not only to support the UN Sustainable Development Goals in the area of clean and climate-neutral mobility, but also to consistently focus on its vision as a leading provider of sustainable mobility.

Investment in Synhelion

By replacing fossil fuels with carbon-neutral solar fuels, Synhelion aims to contribute to an emission-free transport sector in the long term. The company is building the world's first industrial solar fuel production plant for this purpose. The AMAG Group invested directly in Synhelion in 2021. Together with its commitment to Climeworks, AMAG aims to completely close the cycle for sustainable, synthetic fuels. The CO₂ from combustion engines can be filtered out of the air with Climeworks' technology and converted back into synthetic, sustainable fuels with Synhelion's technology. In this way, AMAG aims to enable the owners of the approximately 200,000 classic cars to drive their favourite vintage cars in a sustainable and climate-neutral manner in the future.



On the road: Porsche ST in the Swiss Alps



Net Zero facts

↓30%

Footprint target

AMAG aims to achieve a climate-neutral footprint by 2025, and to reduce its scope 1 and 2 emissions by at least 30% to meet this target.

Page 109

CO₂

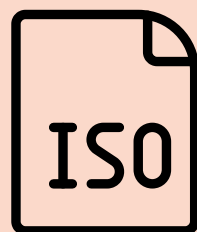
Sustainable investments and partnerships

- Climeworks – Removing CO₂ directly from the air
 - Synhelion – Converting CO₂ into synthetic fuels using solar energy
- Pages 64–66

Sustainability with a system

AMAG Import AG and mobilog AG implement an environmental management system in accordance with ISO 14001:2015.

Page 110

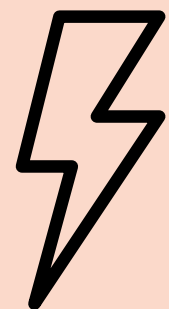


Brilliant technology

- Consumption of around 50% less energy in the new painting facilities at the Carrosserie Center Wettswil, thanks to year-round heat recovery and an intelligent energy management system.
- Opting for Smart Repair – repairing instead of replacing
- Massive reduction in paper consumption planned for the future through digitisation of over 1 million invoices per year

Page 62

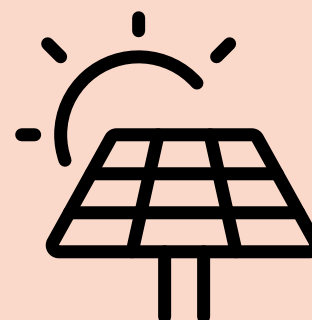
-50%



Electrified into the future – starting with ourselves

- Launch of “the square” in the Circle at Zurich Airport – a new mobility hub and the first competence and experience centre for new sustainable individual mobility.
- Launch of the community platform drive-electric.ch with answers to all questions relating to electromobility (2021).
- Expansion of the charging infrastructure at the company’s own locations with almost 1000 charging stations by the end of 2022

Page 57



More sun

- 2021 5700 m² of photovoltaics installed
- Production of up to 227,000 kilowatt hours of electricity per year with a photovoltaic system of over 1200 m² at the Carrosserie Center Wettswil supplying up to 136% of the energy needed to operate the entire centre, including charging of the replacement electric vehicles, page 62

Engage

02 Sustainability in action 360° → Engage

At a glance

People are at the centre of all activities: The term AMAG Engage represents AMAG's commitment to its employees and society as a whole. AMAG strongly believes that diversity and a multi-faceted workforce are the foundation of a company that will continue to be efficient and successful in the future.

Lifelong learning

With around 740 apprentices, AMAG is one of the largest training providers in Switzerland, setting standards in further training and offering employees opportunities for lifelong learning. AMAG has been offering a pre-apprenticeship integration programme since 2020. Long-term empowerment brings together initiatives that support employees in their lifelong career planning. This includes offering coaching and mentoring, digital fitness courses, and physical and mental fitness opportunities. This further training is provided by the HR Academy and the AMAG Import AG Academy as well as through external courses and e-learning tools.

→ See Lifelong learning
Page 81

Social responsibility

AMAG promotes social welfare in Switzerland through targeted sponsorship and donation measures. The AMAG Family Business Award, which was presented for the tenth time in 2021, honours sustainable family entrepreneurship. AMAG's decades-long partnership with the Zurich Chamber Orchestra (ZKO) and its support for the popular performances of the Zurich Opera House, together with other smaller commitments, form AMAG's contribution to the preservation of Swiss cultural creativity. The AMAG Fund helped to provide vehicles to various organisations and families in need.

A people-centric culture

AMAG's people-centric culture focuses on its employees, as it is they who help to shape AMAG's success through their actions and behaviour. With employees from over 70 nations, AMAG embraces diversity, and the wide range of experiences is reflected in its modern corporate culture. Group-wide compliance with internal salary equality between women and men was confirmed with the Fair-ON-Pay certificate standard. Female employees accounted for 16.3 percent of AMAG's workforce at the end of the year. One of the goals of the Management Board and the Board of Directors is to make AMAG an even more attractive employer for women.

→ See KPI report
Page 124



Diversity strengthens AMAG

Whether in terms of origin, age or employee education – diversity makes AMAG stronger and more sustainable. There is a need to increase the proportion of women, which is growing rather slowly. The increasing proportion of occupations that require academic training is influencing AMAG’s employer branding.

The AMAG Group embraces diversity – and this goes far beyond the 72 nationalities currently represented in the company. Gender, age and education are among the other aspects of diversity in the company. Diversity is essential for AMAG because teams with a diverse composition bring together more perspectives, enabling innovative solutions and services for customers. AMAG also sees diversity as an opportunity for better understanding among its employees and for an appreciative and motivating corporate culture. “Diversity makes AMAG stronger and more sustainable,” summarises Anja Bates, Chief Human Resources Officer and member of Group Management.

More women in demand

Women make up around 16 percent of the AMAG Group, and around 13 percent of management positions. In recent years, these percentages have risen, but they are still low. The reason for this is that the automotive industry, with its many technology-related professions, has traditionally had a high proportion of men. Anja Bates finds this odd: “A lot of women are buying cars these days, why shouldn’t they be advised by a woman who probably understands women’s needs better?” One of the reasons for the rather slow increase in the proportion of women are the old gender stereotypes. In vocational

training, for example, AMAG occasionally finds that parents advise their daughters against learning an automotive profession. At present, AMAG is able to fill around 10 percent of its apprenticeship positions with young women and is aiming for at least 20 percent, also in technical professions.

Another reason for the current proportion of women, according to Anja Bates, is that AMAG still does not communicate enough about the promotion of women and the attractive career opportunities. This also includes ensuring that AMAG guarantees equal pay between women and men throughout the Group, reconfirmed in 2021 by the Fair-ON-Pay certificate.

Older employees important for AMAG’s efficiency

At AMAG, just under 12% of the workforce is over 55 years old, with a further 8% between 51 and 55. Many of these employees have been with AMAG for many years and have an excellent knowledge of the company and its processes. In addition, about 150 more employees over 50 are hired every year. Against the background of the worsening shortage of skilled workers, all these older employees are very important to AMAG’s value proposition.

As an employer, AMAG therefore attaches great importance to ensuring that older employees also remain productive and can contribute their experience and knowledge. It supports this with age-appropriate employment models, such as phased retirement, which allows cadre members to gradually hand over responsibility. Special further training that reflects the principle of lifelong learning also supports the productivity of older employees, for example with training in the IT sector. Nevertheless, there remains the challenge that many members of the baby boomer generation will retire in the next few years. “At least we can somewhat dampen this with our measures,” says Anja Bates.

New requirements are transforming employer branding

Another important aspect of diversity for AMAG is job or skill diversity, i.e. a growing variety of different occupations and skills resulting from the changes in the mobility sector. In the past, a large proportion of jobs were directly related to vehicles and vehicle technology. However, the development of the industry is leading to an ever greater variety of job profiles. “We need many

“A lot of women are buying cars these days, why shouldn’t they be advised by a woman who probably understands women’s needs better?”

employees with new skills, especially those with an academic background,” explains Anja Bates. This includes, for example, female IT engineers or electrical engineers, who are needed for the expansion of e-mobility services. This leads to new challenges in recruitment.

“With digitalisation and the focus on sustainability, we also need to address target groups that are interested in new technologies, IT, data, and building new business models – and these are hardly on the automotive industry’s radar,” says Anja Bates. When it comes to such people, AMAG competes with companies from the service and IT sectors, for example, “we have to present ourselves differently in employer branding than we used to if we want to be successful,” says Anja Bates.

→ See Lifelong learning
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Power from within your own organisation

Training and further education are important pillars of AMAG's sustainability strategy. Among the largest training companies in Switzerland, AMAG employs around 740 apprentices. Further education is about promoting the other nearly 90 percent of employees. The goals are the same in both areas: Empowering and developing employees.

An exceptional commitment to training

AMAG has been training apprentices since it was founded – to date, a total of well over 10,000 young people have probably entered the world of work in this way. In its garages and locations throughout the country, the Group trains around 740 apprentices in 13 apprenticeships. AMAG also offers the one-year INVOL pre-apprenticeship integration programme. The number of apprentices corresponds to around 12% of the total workforce, far more than any competitor in the automotive industry and the average commitment of companies of comparable size. With around 280 vocational trainers, AMAG ensures top training quality with a very high success rate, whether for apprentices in the workshop, body shop, logistics, IT, office or in retail. AMAG attaches great importance to modular further training for the specialists who supervise the junior staff in the garages and plants.

Apprentices with above-average grades in their second to fourth year are accepted into the Young Talents programme and benefit from mentoring, special training and project assignments. Around 5% of apprentices benefit from this programme – a percentage that is set to rise. AMAG has also set up trainee programmes to help university graduates enter the automotive industry.

“Generation Z, i.e. people born after 2000, function differently than previous generations, and we take that into account in everyday life,” says Gesa Gaiser, Head of Vocational Training. Another aim is to continue employing more young people at AMAG after they have completed their apprenticeship. Other topics include increasing the proportion of women in apprenticeships and enhancing AMAG's nationwide profile as an attractive and modern apprenticeship company.

Training in transition

In addition to training, AMAG has always attached great importance to further education. As early as 1988, it centralised these activities in a newly built training centre in Schinznach-Bad, which was state-of-the-art at the time and is now the AMAG Import AG Academy. To this day, it combines the training programmes of the brand organisation and is the competence centre for consulting, coaching and training services for all trade and service partners.



Nicole Jans

In addition, the Leadership & Development department offers various training courses in the areas of leadership, team and personality development for the entire AMAG Group. Of course, the transition is also noticeable in the field of training. “Social developments and digitalisation have changed learning a great deal in recent years,” says Nicole Jans, Head of HR Development at AMAG.

The strategic approach is called lifelong learning and aims to enable employees to develop in line with changes in technology, the organisation and society. “We have to anticipate the direction in which the professions are going and prepare our people for it,” says Nicole Jans. For this to succeed, the training must be flexible, modular and close to the employees. In the past, the traditional classroom course was the standard, but this has now changed. As much as

70% of training is done on the job and through practical experience, 20% is self-initiated micro-learning and only 10% is done through traditional training. For Nicole Jans, it is important that further training is open to all employees, including those with a lower basic education and older employees. “For example, we don’t have an age cut-off, we still have 60-year-olds attending leadership courses to support them optimally in their role – this motivates our employees for lifelong learning,” says the Head of HR Development.

“For example, we don’t have an age cut-off, we still have 60-year-olds attending leadership courses to support them optimally in their role – this motivates our employees for lifelong learning.”

Alongside lifelong learning, AMAG is focusing specifically on internal talent development, and is attempting to use this basic approach to encourage its own managers to follow suit (see page 121). “Recruiting leadership talent in the labour market is becoming increasingly costly – everyone is looking for the same talent,” says Nicole Jans. In practice, talent development is carried out by line managers in cooperation with Human Resources. Before a vacant position with management responsibility is advertised, a cross-check is carried out to determine whether a suitable applicant can be considered for the position within AMAG.

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Vorwärts. Geniale Durchatmen.



Engage facts

6570

employees

72

nationalities

1

AMAG

No discrimination

AMAG significantly exceeds the legal requirements.
Fair-ON-Pay certifies equal pay at AMAG.
Page 126



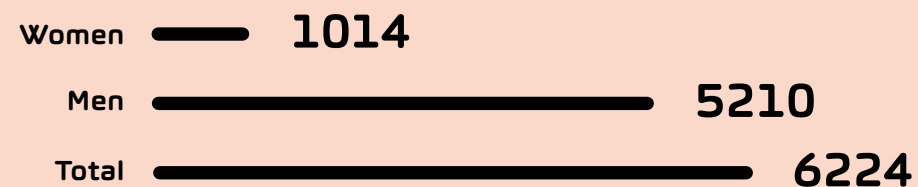
20%

50+

- Just under 12% of the workforce is over 55 years old, another 8 percent between 51 and 55
- Around 150 additional employees over 50 are hired each year

Page 125

We will get better



Women (total temporary and permanent contracts in 2021 = 1014) and men (total temporary and permanent contracts in 2021 = 5210); total: 6224

Top 10 training centre

AMAG is one of the largest Swiss training companies, with currently around 740 apprentices in 13 apprenticeship professions.



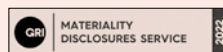
- Apprentices represent 12% of the total workforce
- 280 vocational trainers
- Excellent training quality with a very high success rate
- Participation in the pre-apprenticeship integration programme to enable recognised refugees and temporarily admitted persons, among others, to quickly start an apprenticeship
- The next step: from 2022 onwards, around 20 young people will start the new automotive sales retail specialist apprenticeship, which AMAG has helped to create, pages 120 – 123

03

KPI REPORT ACCORDING TO GRI

GRI content index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The Materiality Disclosure Service was performed on the German version of the report.



Universal standards

Page	Standard	Topic	Reason for omission
93	GRI 101: 2016	Foundation	
	GRI 102: 2016	General Disclosures	
		Organizational profile	
	102-1	Name of the organization	
	102-2	Activities, brands, products, and services	
	102-3	Location of headquarters	
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94	102-5	Ownership and legal form	
	102-6	Markets served	
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95	102-8	Information on employees and other workers	
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	102-10	Significant changes to the organization and its supply chain	
96	102-11	Precautionary principle or approach	
	102-12	External initiatives	
	102-13	Membership of associations	
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	102-14	Statement from senior decision-maker	
	Ethics and integrity		
97	102-16	Values, principles, standards, and norms of behavior	
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	102-18	Governance structure	
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	102-41	Collective bargaining agreements	
99	102-42	Identifying and selecting stakeholders	
	102-43	Approach to stakeholder engagement	
	102-44	Key topics and concerns raised	
	Reporting procedure		
100	102-45	Entities included in the consolidated financial statements	
	102-46	Defining report content and topic boundaries	
101	102-47	List of material topics	
	102-48	Restatements of information	

101	102-49	Changes in reporting	
	102-50	Reporting period	
	102-51	Date of most recent report	
	102-52	Reporting cycle	
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Topic-specific standards

Page	Standard	Topic	Reason for omission
105	200	Economy	
	GRI 206:2016	Anti-competitive Behavior	
	GRI 103:2016 103-1/103-2/103-3	Management approach	
106	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	
107	300	Environment	
	GRI 302:2016	Energy	
	GRI 103:2016 103-1/103-2/103-3	Management approach	
108	302-1	Energy consumption within the organization	
	302-4	Reduction of energy consumption	No information available
109	GRI 305:2016	Emissions	
	GRI 103:2016 103-1/103-2/103-3	Management approach	
110	305-1	Direct (Scope 1) GHG emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	
112	305-5	Reduction of GHG emissions	No information available
113	400	Social	
	GRI 403:2018	Occupational Health and Safety	
	GRI 103:2016 103-1/103-2/103-3	Management approach	
	403-1	Occupational health and safety management system	
114	403-2	Hazard identification, risk assessment, and incident investigation	
115	403-3	Occupational health services	
116	403-4	Worker participation, consultation, and communication on occupational health and safety	

GRI 102

General Disclosures

117	403-5	Worker training on occupational health and safety	
	403-6	Promotion of worker health	
118	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-8	Workers covered by an occupational health and safety management system	
119	403-9	Work-related injuries	
120	GRI 404:2016	Training and Education	
	GRI 103:2016 103-1/103-2/103-3	Management approach	
121	404-1	Average hours of training per year per employee	No information available
122	404-2	Programs for upgrading employee skills and transition assistance programs	
123	404-3	Percentage of employees receiving regular performance and career development reviews	
124	GRI 405:2016	Diversity and Equal Opportunity	
	GRI 103:2016 103-1/103-2/103-3	Management approach	
125	405-1	Diversity of governance bodies and employees	
126	405-2	Ratio of basic salary and remuneration of women to men	
127	GRI 418:2016	Customer Privacy	
	GRI 103:2016 103-1/103-2/103-3	Management approach	
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	

102-1 Name of the organization

AMAG Group AG (hereinafter AMAG)

102-2 Activities, brands, products, and services

AMAG Group AG is a Swiss company. The Group also includes AMAG Import AG, which imports and distributes Volkswagen, Audi, SEAT, ŠKODA, CUPRA and VW commercial vehicles through Switzerland's largest network of agents (over 450 dealers and service partners). AMAG Automobil und Motoren AG is also part of the Group, which has around 80 of its own garages, used car dealerships and body shops. It is also a Bentley support centre. A further subsidiary is AMAG First AG, the largest Porsche dealership organisation in Switzerland.

The AMAG Group also includes AMAG Leasing AG, a financial services provider, AMAG Parking AG, which manages various car parks, and AMAG Services AG, a licensee of Europcar and Ubeeqo for Switzerland, which offers valet parking at Swiss airports and chauffeur services throughout Switzerland. Since 2021, mobilog AG has also offered logistics services for third parties, and AMAG also operates an Innovation & Venture LAB. Since 2018, AMAG has been a co-owner of autoSense, the solution for digital vehicle connectivity, and since 2019 it has been offering a car subscription model with Clyde. It is also a partner of the Swiss Startup Factory.

102-3 Location of headquarters

Alte Steinhauserstrasse 12, 6330 Cham

102-4 Location of operations

The AMAG Group has around 100 locations in Switzerland and, with AMAG (Vaduz) AG, one location in the Principality of Liechtenstein.

102-5

Ownership and legal form

AMAG Group AG, headquartered in Cham (ZG), is the holding company of the AMAG Group (AMAG). AMAG Group AG is not listed. No direct or indirect subsidiary is listed either.

As at the balance sheet date, AMAG Leasing AG, a wholly owned subsidiary of AMAG Group AG, holds five special purpose entities, two of which have issued bonds listed on the SIX Swiss Exchange. AMAG Leasing AG itself has also issued a listed bond.

102-6

Markets served

Principally Switzerland and Lichtenstein.

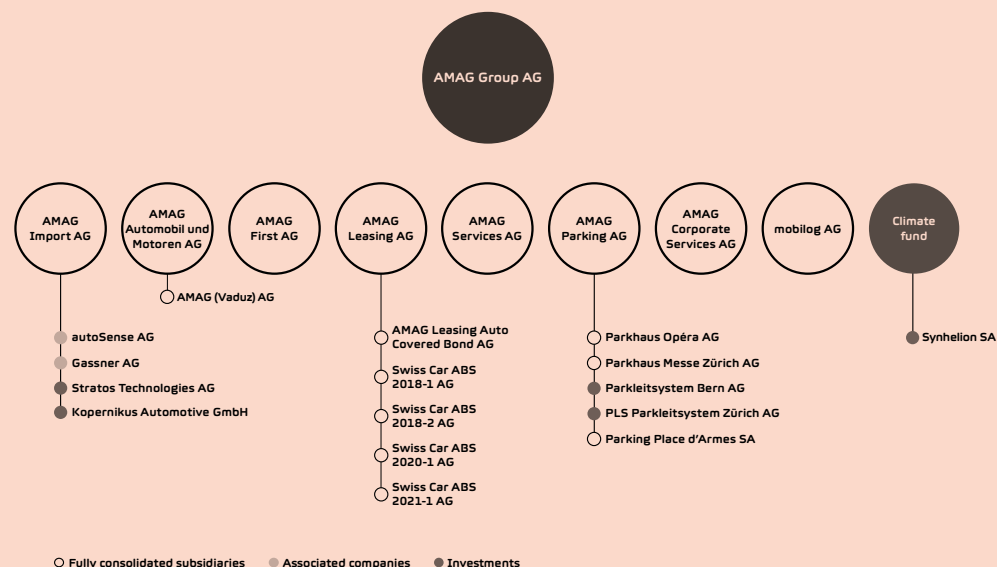
102-7

Scale of the organization

	2019	2020	2021
Net revenue in CHF billion	4.7	4.0	4.3
Total number of employees*	6175	6064	6224
Of which apprentices	736	728	745

as per key date 31 December 2021

*Refers to the total number of employees in permanent and temporary employment, including apprentices. Including other employee groups (hostesses and hosts, on-call, transfer drivers and chauffeurs), a total of 6570 employees worked for AMAG in 2021 as at 31 December.



102-8

Information on employees and other workers

Workforce composition for employment contracts and employment relationships

	Women			Men			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
Workforce by employment contract									
Permanent	963	949	990	5071	4985	5112	6034	5934	6102
Temporary	23	20	24	118	110	98	141	130	122
Workforce by employment relationship									
Full-time	690	679	717	4871	4794	4936	5561	5473	5653
Part-time	296	290	297	318	301	274	614	591	571

102-9

Supply chain

The AMAG Group imports and distributes passenger and commercial vehicles in Switzerland and is a provider of various services in the mobility sector. In addition to core maintenance, repair and claims management services, this also includes car rental and car sharing services.

In addition to the import of vehicles and the close cooperation with the Volkswagen Group, AMAG procures other goods and services that are divided into various product groups. These include IT, logistics and transport services, spare parts, paints and tyres, office supplies, and advisory and financial services.

102-10

Significant changes to the organization and its supply chain

Delivery delays occurred in the reporting year due to the chip crisis.

Due to COVID-19 and the conflict in Ukraine, supply chains are expected to continue to be affected in the future and the supply of new vehicles is expected to remain tight, with further shortages in the used car market.

A task force is in place to monitor risks on an ongoing basis. If necessary, measures to counteract any damage will be implemented.

102-11

Precautionary principle or approach

Significant risks are identified, analysed and quantified through regular risk assessments (risk management). This involves the drawing up of a risk inventory indicating the respective arrangements for managing the risks identified as well as periodical reporting (monitoring of risks and measures).

The following environmental and social aspects are covered, amongst others, within the risk inventory:

- Regulatory restrictions relating to emissions requirements for vehicles on the Swiss market
- The likelihood of occurrence of natural hazards such as flooding, earthquakes, rockfalls, landslides and groundwater shortages
- Political and social changes and their effects on mobility concepts and consumer behaviour
- Reputational risks as a result of internal and external events

102-12

External initiatives

None

102-13

Membership of associations

During the reporting period, AMAG was a member of Auto Gewerbe Verband Schweiz (Auto Trade Association Switzerland, AGVS), auto schweiz, Auto-Strassenhilfe-Schweiz (Auto Roadside Assistance Switzerland, ASS), Avenir Mobilité, Avenir Suisse, Cardossier, Center for Corporate Venturing Switzerland, digitalswitzerland, electrosuisse/e'mobile, GS1, Interactive Advertising Bureau (IAB), Schweizer Mobilitätsverband (Swiss Mobility Association, sffv), Schweizer Werbeauftraggeber-Verband (Association of Swiss Advertisers, SWA), Stiftung Auto Recycling Schweiz (Auto Recycling Foundation Switzerland), Swiss Alliance for Collaborative Mobility (CHACOMO), Swiss Association of Autonomous Mobility (SAAM), Swiss Association for Automotive Transformation (SAAT), Swiss eMobility, eMobil Zug, Zuger Wirtschaftskammer (Zug Chamber of Commerce) and Zugwest.

102-14

Statement from senior decision-maker

See the editorial in this report on page 9.

AMAG set an ambitious climate goal in 2021. The aim is to meet a net-zero target in accordance with the 1.5-degree target of the Paris Climate Agreement. Implementation will occur in accordance with the requirements set out

102-16

in the Science Based Target initiative. The achievement of the climate target will be ensured by the AMAG Group climate strategy. The climate strategy is a core element within the AMAG Net Zero focus area, which, along with the other focus areas AMAG Engage and AMAG Fairplay, embody AMAG's sustainability commitment. All three focus areas are an integral part of the Group's strategy and fall under the responsibility of AMAG Group Executive Management.

Values, principles, standards, and norms of behavior

The Code of Conduct of AMAG sets out the standards which employees, management staff and owners must adhere to within everyday business. It sets out standards in risk areas relevant for compliance purposes, which must be respected and complied with by the Board of Directors, the Management Board, all employees as well as third parties such as dealers, suppliers and other partners of AMAG Group AG and the subsidiaries controlled by it during the course of their business operations. The Code of Conduct provides a basis for decision-making and guidance concerning appropriate conduct in various scenarios – including difficult situations. It is supplemented by internal policies and regulations as well as the terms of employment contracts.

In addition, the corporate values of AMAG include a commitment to fair behaviour in dealings with employees, customers, suppliers and business partners.

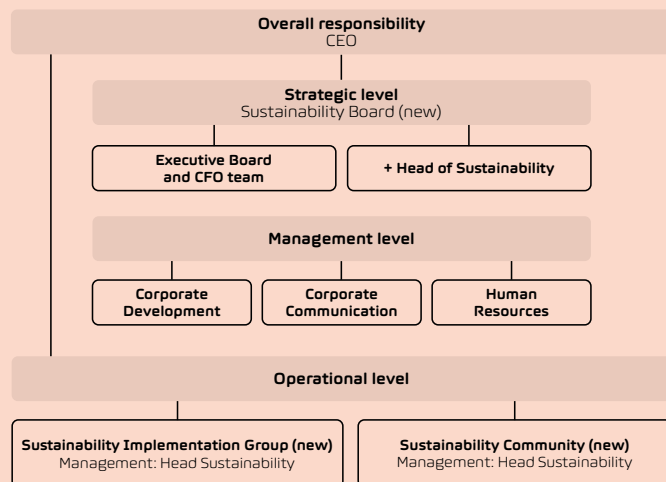
Both the Code of Conduct as well as the core values are transparent and freely accessible in the national languages of German, French and Italian and can be downloaded from the AMAG Group website.

102-18

Governance structure

AMAG Group AG is an unlisted company limited by shares under private ownership. As the highest management body, the Board of Directors exercises overall management authority, supervision and control over the company. The Group Executive Management reports to the Board of Directors and is composed of the CEO and the CFO. The Executive Board comprises the Group Executive Management, the managing directors of subsidiaries and other officials who report directly to the CEO. Overall financial management of the AMAG Group is coordinated by the CFO team, which is composed of the Group Executive Management, the CFOs of subsidiaries and other officials who report directly to the Group CFO. The detailed tasks of the governing bodies are set out in organisational regulations, which are regularly updated.

Responsibility for strategic anchoring and operational implementation in the field of sustainability is established in the organisation as set out below:



102-42

Identifying and selecting stakeholders

AMAG engages in intensive dialogue with stakeholders, which have a significant impact on the success of the business and are in turn heavily influenced by the business activities of AMAG. These include in particular customers and employees. Customer concerns are dealt with through dealerships and partner businesses of the AMAG Group as well as in-house Customer Service. Employees are informed and involved via the Intranet.

102-43

Approach to stakeholder engagement

AMAG has positioned itself as a provider of sustainable mobility services – with a long tradition and under family ownership. AMAG derives its environmental and social responsibility from this fundamental philosophy and acts with great commitment when pursuing its goals and undertaking initiatives in this area.

AMAG's philosophy of taking on responsibility is guided by a strong vision, which envisages using innovative and low-emission technologies to provide bespoke mobility services tailored to individual requirements. With this in mind, AMAG makes considerable investments in developing and enhancing the skills of its employees. The broad, forward-looking education programme for trainees as well as technological and service skills for ensuring optimal support for AMAG customers are particularly important. In addition, AMAG cooperates closely with partners in order to promote Switzerland as a research location. The AMAG Innovation & Venture LAB aims to achieve active exchange and cooperation with start-ups in order to ensure the optimal incorporation of new developments into the AMAG Group. AMAG considers reports and feedback received from stakeholders involved with an open mind. It is actively involved in public dialogue on mobility and provides regular information at press conferences concerning current business developments.

102-44

Key topics and concerns raised

AMAG also pursued dialogue with its stakeholders through various channels and interlocutors during the year under review. Customers expressed extremely positive views concerning the high level of service and quality when handling repairs as well as purchase and leasing agreements. A few customers objected to pricing aspects or the inadequate completion of repairs. AMAG takes these reports extremely seriously and constantly endeavours to improve the quality of its services. AMAG Import AG has a professional provider of training in this area, the AMAG Academy. Supply chain bottlenecks affecting spare parts and vehicle models as a result of the chip crisis led to long waits in many cases, resulting in dissatisfaction amongst both customers and dealerships.

102-40

List of stakeholder groups

The most important stakeholder groups in AMAG include Volkswagen AG, customers, independent dealerships and garages as well as employees. In addition, business partners, suppliers, industry associations, regulatory bodies, the media and the science community are also important stakeholders.

102-41

Collective bargaining agreements

Percentage of employees who are subject to collective agreements		
2019	2020	2021
8%	8%	12%

The increase in 2021 was due to new businesses, the entry of additional employees and the reassessment of professional groups within existing businesses.

The growing market share of electric cars has been causing new challenges for body repair shops. Electric vehicles need to be treated completely differently in the event of a fault or accident. Due to the built-in battery, vehicles need to be recovered according to special procedures. If the battery is damaged or if there is a risk of a short circuit, the vehicle must be stored at a designated location under observation (known as "quarantine"). The process, which is already very costly, can only be carried out by specialists with appropriate training. During the course of 2021, there were shortages both of specialist staff as well as infrastructure availability (space for designated quarantine areas).

102-47

102-45

Entities included in the consolidated financial statements

The Sustainability Report covers all subsidiaries of AMAG Group AG. These include AMAG Import AG, AMAG Automobil und Motoren AG including AMAG (Vaduz) AG, AMAG First AG, AMAG Leasing AG, AMAG Services AG, AMAG Parking AG, AMAG Corporate Services AG as well as mobilog AG and its companies under AMAG control.

102-48

102-46

Defining report content and topic boundaries

The key issues in 2021 were identified and evaluated as part of personal discussions with all management staff at individual business units. Key issues were pre-selected with reference to criteria focusing on relevance and added value for stakeholders specific to AMAG, society as a whole as well as the global impact according to the Sustainable Development Goals. For further information, please see pages 23 to 25 of this report. Building on this, the Corporate Development department further delineated the various issues, working in conjunction with the management of Group Sustainability and external specialists. The issues selected were then discussed within the Management Board and referred to the Board of Directors for consultation. Finally, the prioritised issues were presented to the Group Sustainability Board (composed of the Management Board and all heads of finance) and definitively approved.

102-50

102-51

102-52

102-53

List of material topics

The issues identified as key issues have been allocated to the focus areas under AMAG responsibility and form part of AMAG's Group strategy:

Focus area	Key issues
AMAG Net Zero	Energy, emissions
AMAG Engage	Training and education, diversity and equal opportunity
AMAG Fairplay	Fulfilment of compliance requirements, occupational health and safety, working conditions, protection of customer data

Restatements of information

None

Changes in reporting

None

Reporting period

1 January 2021 to 31 December 2021

Date of most recent report

The report presented here is the first Sustainability Report of AMAG Group AG.

Reporting cycle

It is envisaged to publish a report each year.

Contact point for questions regarding the report

Dr Ina Maria Walther
Head Sustainability, AMAG Group AG

AMAG Group AG
Alte Steinhauserstrasse 12
6330 Cham
Switzerland

102-54

Claims of reporting in accordance with the GRI standards

This report was produced in compliance with the "Core" option of the GRI standards.


102-55

GRI content index

Under the Materiality Disclosures Service, GRI Services examined whether the GRI content index (see page 90) is clearly presented and whether the references for disclosures 102-40 to 102-49 coincide with the relevant parts of the report. The GRI Materiality Disclosures Service was carried out on the German version of the report.

102-56

External assurance

Ernst & Young AG conducted a review in order to obtain limited assurance for the KPIs for energy (disclosure 302-1, page 108) and emissions (disclosures 305-1, 305-2, 305-3, pages 110 – 111) for the year under review 2021. The relevant sections are marked with a check . The independent assurance report is included in this report on pages 103 – 104.




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To the management of
AMAG Group AG, Cham

Zurich, 29 June 2022

Independent assurance report

We have been engaged by AMAG Group AG to perform a limited assurance engagement on the KPIs marked with a  (hereafter «the KPIs»), disclosed in the sustainability report 2021 in the chapter "03 KPI Report according to GRI" for the reporting period from 1 January 2021 to 31 December 2021:

- ▶ Table on energy KPIs on page 108 of the sustainability report 2021 (302-1)
- ▶ Tables on emissions KPIs on pages 110-111 of the sustainability report 2021 (305-1-2-3)

Our engagement was limited to the KPIs listed above. We have not assessed the following KPIs or information disclosed in the sustainability report 2021:

- ▶ Information other than the KPIs indicated above
- ▶ KPIs related to previous reporting periods
- ▶ Qualitative statements



Applicable criteria

AMAG Group AG defined as applicable criteria (hereafter «applicable criteria»):

- ▶ Selected GRI Sustainability Reporting Standards

A summary of these standards is presented on the GRI homepage. We believe that these criteria are a suitable basis for our limited assurance engagement.

The quantification of greenhouse gases is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gases.



Responsibility of AMAG Group AG's management

The management of AMAG Group AG is responsible for the selection of the applicable criteria and for the preparation and presentation of the disclosed KPIs in accordance with the applicable criteria. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation of the KPIs that are free from material misstatement, whether due to fraud or error.



Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Translation of the original report disclosed in the sustainability report 2021 in German language.

GRI 206

Anti-competitive Behavior



2



Our responsibility

Our responsibility is to express a conclusion on the above mentioned KPIs based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and with the International Standard on Assurance Engagements (ISAE) 3410 *Greenhouse Gas Statements*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the KPIs in the sustainability report 2021 are free from material misstatement, whether due to fraud or error.

In accordance with the engagement agreement, our duty of care for this engagement only extends to the management of AMAG Group AG.

Based on risk and materiality considerations we have undertaken procedures to obtain sufficient evidence. The procedures selected depend on the practitioner's judgment. This includes the assessment of the risks of material misstatements in above mentioned KPIs. The procedures performed in a limited assurance engagement vary in nature and timing from and are less in scope than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.



Summary of work performed

Our limited assurance procedures included, amongst others, the following work:

- ▶ Assessment of the suitability of the underlying criteria and their consistent application
- ▶ Inquiries of company's representatives responsible for collecting, consolidating, and calculating the KPIs in order to assess the process of preparing the sustainability report 2021, the reporting system, the data capture and compilation methods as well as internal controls to the extent relevant for the limited assurance engagement
- ▶ Assessment of the KPIs through inspection of the relevant documentation of the systems and processes for compiling, analyzing, and aggregating sustainability data and testing such documentation on a sample basis
- ▶ Analytical procedures and inspection of documents on a sample basis with respect to the compilation and reporting of the quantitative information
- ▶ Analytical procedures of the sustainability report 2021 regarding plausibility and consistency with the KPIs

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.



Our conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the KPIs in the sustainability report 2021 have not been prepared, in all material respects, in accordance with the applicable criteria.

Ernst & Young Ltd

Tobias Meyer
Partner

Mark Veser
Director

Translation of the original report disclosed in the sustainability report 2021 in German language.

103-1/2/3

Management approach

AMAG is committed to fair competition and ethically and legally proper conduct – at all times and without any reservations. In order to ensure this, AMAG has issued a Code of Conduct specifying the most important principles, which are binding for AMAG employees. This also includes strict compliance with the Swiss Cartel Act (Bundesgesetz über Kartelle und andere Wettbewerbsbeschränkungen, KG). All employees have committed in writing to complying with the AMAG Code of Conduct. A strict zero-tolerance policy applies in relation to illegal agreements affecting competition. This principle is communicated regularly and actively, for instance during employee meetings, management presentations and on the Intranet. Complaints and incidents can be reported to an independent reporting body.

The Code of Conduct forms part of a comprehensive compliance programme under the management of the AMAG Legal & Compliance department. Legal & Compliance issues Group-wide policies concerning various issues in the area of "compliance", which are also binding. The policy on antitrust law can be consulted by all employees at any time. Targeted training programmes provide support to AMAG employees in complying with all legal requirements.

In total, the Legal & Compliance department has provided in-person training concerning antitrust law to more than 2000 employees. Training and awareness-raising measures concerning antitrust law are regularly provided to the management of AMAG Automobil und Motoren AG. The issue of compliance, and in particular antitrust law, is also a fixed aspect of AMAG internal training for new management staff.

In addition, AMAG has rolled out an e-learning module concerning the AMAG Code of Conduct, which is mandatory for all employees and also addresses the issue of antitrust law. At present, this has been completed by just under 6000 employees.

All employees who have completed the compliance training sign a written declaration in which they undertake to adhere strictly to antitrust law. Management staff and employees working in sales sign this declaration every year.

206-1

Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

During the year under review, an investigation by the Swiss Competition Commission was ongoing against AMAG Group AG and AMAG Automobil und Motoren AG and various other licensees of the Volkswagen brands in the canton of Ticino. It was launched in 2018 due to suspicions concerning illegal agreements affecting competition in Ticino. AMAG is fully cooperating with this investigation.

GRI 302 Energy

103-1/2/3

Management approach

Energy is an important factor within the everyday operations of AMAG, for example in relation to the usage and maintenance of business premises, the securing of IT infrastructure and systems, all logistics services, as well as the operational processes of body shops, paint shops and AMAG's own garages. The sustainability strategy of the AMAG Group was overhauled in 2021. Each business unit is obliged to define appropriate sub-goals and measures. Progress is managed and controlled with reference to group figures, which are reported quarterly. The reporting process is incorporated into Group Controlling in order to guarantee consistent ESG reporting. AMAG Import AG and mobilog AG have implemented an environmental management system according to ISO 14001:2015. The targets formulated within it are consistent with the overarching sustainability goals of the AMAG Group as set out above.

AMAG aims to achieve a climate-neutral footprint by 2025 and is seeking to reduce its scope 1 and 2 emissions by at least 30% by then. One important aspect of this is the continuous improvement and optimisation of all energy costs, which is being implemented for all business premises according to a multi-year plan. Where possible, new sites are built using energy not generated from fossil fuels, for example from geothermal probes, heat pumps or connection to local district heating networks. Energy-intensive processes within body and paint shops are accompanied by heat recovery systems. A "Phase-out Plan" for the ending of fossil fuel energy usage for existing sites has been drawn up and depends on the life cycle of facilities and the availability of alternatives. For larger sites, AMAG has been implementing the requirements of the large-scale consumer model adopted by the Energy Agency of the Swiss Private Sector (EnAW) since 2013, which specify target figures and a road map in line with Switzerland's climate goals. It is planned to roll out the large-scale consumer model to all other sites by 2026.

302-1

Energy consumption within the organization

in MWh	2019	2020	2021
Heating oil	10,248	9,131	6,488
Natural gas	25,092	24,195	24,562
Biogas	197	327	1,366
Wood chips	452	163	0
Propane	0	0	217
Diesel	47,632	40,546	25,134
Petrol	31,797	28,932	26,621
Electricity (other source, renewable source)	38,421	37,891	36,360
Electricity (other source, non-renewable source/Swiss electricity mix)	2,161	1,255	1,893
District heating	4,996	4,746	4,583
Total in MWh	160,996	147,186	127,224

The data relate to all business premises (owned and rented sites) of AMAG Group AG. Data for all amounts consumed covers a period of 12 months. Depending upon availability and because of different billing dates, the survey period for individual suppliers may be deferred by three months.

302-4

Reduction of energy consumption

For information, see indicator 305-5 on page 112 of this report. Comprehensive coverage for indicator 302-4 is currently being put in place and is planned for the next year under review.

GRI 305 Emissions

103-1/2/3

Management approach

Scope 1 and 2 emissions are generated by AMAG above all through the operation of its own fleet vehicles, including fuel consumption, although also by the consumption of heating oil on business premises. In line with the SBTi, AMAG has committed to reducing scope 1 and scope 2 emissions by at least 30% by 2025 and by 70% by 2030. In order to achieve this, the entire fleet of company cars was electrified in 2021, which over the medium term will result in significant savings of diesel and petrol. Further reductions in consumption will be achieved through property management and from energy efficiency improvements. In order to become climate-neutral for scope 1 and 2 as early as 2025, remaining emissions will be offset from 2025 onwards, or elimination technologies will be deployed.

Scope 3 emissions are generated by AMAG above all through the sale and operation of vehicles. Further emissions arise as a result of commuting by employees and the transportation of goods and vehicles. The long-term reduction target for scope 3 emissions is 90% by 2040. Cuts of at least 30% should be achieved by 2025, and 70% by 2030. AMAG is actively contributing to reducing emissions caused by vehicles sold by increasing electrification and through closer cooperation with the manufacturer. For instance, the market share of all-electric vehicles in Switzerland in 2021 was 13.3%, and the proportion of electric vehicles for AMAG imported brands was 13.1%.¹ New mobility concepts and service offers, such as single-provider driving and loading, and promoting the quality of dealership service as regards advice concerning electric vehicles and their maintenance will play an increasingly important role in the future. AMAG is consistently seeking to reduce fuel consumption per kilometre driven for the transportation of goods and the provision of services. Cooperation with AMAG's dealerships and distribution network in relation to sustainability was also enhanced during the year under review.

As in the field of energy, progress is managed and controlled with reference to group figures, which are reported quarterly. The reporting process is incorporated into Group Controlling in order to guarantee consistent ESG reporting.

¹ Source: MOFIS PW according to ASTRA, including DI – direct/parallel imports

AMAG Import AG and mobilog AG have implemented an environmental management system according to ISO 14001:2015. The targets formulated within it are consistent with the overarching sustainability goals of AMAG as set out above. AMAG has devised an offsetting and elimination strategy for remaining emissions. In order to set internal standards, projects are allocated an internal CO₂ price. The proceeds flow into the AMAG climate fund and are invested in climate-friendly measures and partnerships. For example, there is closer cooperation with Synhelion, which uses solar energy to convert CO₂ into synthetic fuels. Synthetic fuels will also enable classic cars to be operated in the future using renewable fuels, and thus to become climate-neutral.

305-1

Direct (Scope 1) GHG emissions ☑

For details, see the table: AMAG greenhouse gas emissions, scope 1, 2 and 3, pages 110/111

305-2

Energy indirect (Scope 2) GHG emissions ☑

For details, see the table: AMAG greenhouse gas emissions, scope 1, 2 and 3, pages 110/111

305-3

Other indirect (Scope 3) GHG emissions ☑

For details, see the table: AMAG greenhouse gas emissions, scope 1, 2 and 3, pages 110/111

in tonnes of CO ₂ eq.	2019	2020	2021
Total scope 1 emissions	30,584	27,332	22,104
Heating oil	2,726	2,429	1,726
Natural gas	5,043	4,863	4,937
Propane	0	0	50
Diesel	12,765	10,866	6,736
Petrol	10,010	9,108	8,380
of which biogenic emissions			
Biogas	40	66	275
Total scope 2 emissions	974	805	880
Electricity (non-renewable source according to CH electricity mix)	324	188	284
District heating	649	617	596
Total scope 1 and 2 emissions	31,558	28,137	22,984

Total scope 3 emissions	4,081,611	3,253,861	3,001,500
Emissions from business activities and operations (emissions from purchased goods, services, waste, business travel, overnight hotel stays and investments)	664,898	517,739	560,479
Emissions from vehicles sold, including usage phase	3,416,713	2,736,121	2,441,021
Total scope 1, 2 and 3 emissions	4,113,168	3,281,998	3,024,484

Calculated according to the Greenhouse Gas Protocol guidance.

Scope 1: direct greenhouse gas emissions, resulting for example from the usage of diesel and petrol company vehicles or heating. Propane was included in the natural gas category in 2019 and 2020. Propane has been reported separately since 2021.

Scope 2: indirect greenhouse gas emissions arising from the production of electricity and district heating purchased.

Scope 3: indirect greenhouse gas emissions arising within upstream or downstream business activities in the value chain. Emissions from the sale of vehicles have been calculated on the basis of type-specific vehicle data according to the WLTP (standard in accordance with the worldwide harmonised light-duty vehicles test procedure), with an assumed mileage of 200,000 km. WLTP figures were not consistently available for the year 2019. NEDC figures (New European Driving Cycle) were used for this period. Investments in entities that are not fully consolidated have also been considered.

Emissions factors: the emissions factors used for the conversion into greenhouse gas emissions were those set out in the fact sheet of Switzerland's Greenhouse Gas Inventory (FOEN 2022), the document entitled "Greenhouse Gas Emissions of the Electricity and District Heating Mix Switzerland according to the GHG Protocol" published by Treeze (2017) as well as global average figures contained in the World Input-Output Database (WIOD).

Biogenic emissions were caused by the consumption of wood chips and biogas (see indicator 302-1 in this report). According to the fact sheet of Switzerland's Greenhouse Gas Inventory, emissions resulting from the consumption of wood chips do not result in any declarable CO₂ emissions. The same CO₂ emissions factor as the one used for fossil fuel natural gas was used in order to calculate biogenic emissions from the burning of biogas.

305-5

Reduction of GHG emissions

Compared to the base year 2019, overall emissions of the AMAG Group have fallen slightly. As a result of COVID-19, the fall was sharper in 2020 than in 2021. For scope 1 and 2, this is attributable above all to efficiency gains in building and heating technology, although also to the increasing electrification of the company's own fleet and the associated reduction in diesel consumption. Scope 3 was affected by a fall in business travel due to COVID-19 as well as a slight reduction in emissions associated with vehicle sales. This was due first of all to the slight decline in new vehicle business in 2020 and 2021 compared to 2019. However, the proportion of electric vehicles increased in 2021 compared to 2019, which led to an additional reduction in emissions from vehicle business.

Comprehensive coverage for indicator 305-5 is currently being put in place and is planned for the next year under review.

GRI 403 Occupational Health and Safety

103-1/2/3

Management approach

Avoiding safety risks and ensuring the health and safety of all employees is extremely important for AMAG. These aspects are monitored centrally by Human Resources and the Head of Occupational Health and Safety. Requirements differ depending upon the field of business and the working environment. Each site has its own health and safety officer, who provides support in carrying out checks and compliance with requirements. Implementation is supplemented at all sites by a structured and actively pursued training concept.

403-1

Occupational health and safety management system

Implementation of FCOS Directive 6508 on the appointment of occupational physicians and other occupational safety specialists (EKAS-Richtlinie Nr. 6508 über den Beizug von Arbeitsärzten und anderen Spezialisten der Arbeitssicherheit) has been mandatory in Switzerland since 1 January 2000. The Directive is based on the Accident Prevention Act (APA, Bundesgesetz über die Unfallversicherung, UVG) and the Ordinance on the Prevention of Accidents and Occupational Diseases (APO, Verordnung über die Verhütung von Unfällen und Berufskrankheiten, VUV). It sets out the duties of employers as regards the appointment of occupational safety specialists:

In accordance with generally applicable duties (Articles 3–10 of the APO and Articles 3–9 of Ordinance 3 to the Employment Act (EmpO 3, Verordnung 3 zum Arbeitsgesetz, ArGV 3)), all AMAG businesses identify any hazards arising for the health and safety of employees and take any required protective action and issue any instructions in accordance with the state of the art.

AMAG examines preventive actions taken as well as protective equipment at regular intervals, in particular in the event of any operational changes. AMAG Group AG has its own management system, including its own occupational health and safety specialist, which complies with FCOS Directive 6508 and has also been certified by the FCOS.

Hazard identification, risk assessment, and incident investigation

AMAG is obliged to take action to prevent accidents and damage to health. As a result, hazards and stress factors must be identified in all businesses. Action is planned on the basis of the hazards identified. Hazards are systematically identified each year by site health and safety officers according to our safety system (ASA control) using hazard identification checklists.

In the event of major operational changes (for example renovation or new buildings, or the usage of new substances, working equipment or procedures), the areas or sites affected must be inspected promptly. The action taken as a result leads to an improvement in the AMAG Health and Safety Group Operations Solution (operational safety system).

All unintended events such as accidents, near misses and damage to property are systematically recorded and clarified in order to avoid similar events in the future and to ensure the constant improvement of the operational safety system.

All events provide important indications concerning safety gaps at AMAG businesses. The focus when investigating an accident is to ascertain the cause of the accident. The goal is

- to prevent any recurrences;
- to find out where and how safety can be sustainably improved;
- to show employees that “their” business takes the protection of health and safety seriously.

In terms of safety, the planning of any action always endeavours to determine the protective action that can most effectively neutralise any hazard identified. The STOP approach classifies protective action according to efficacy and shows what type of action should be preferred. By applying the STOP approach, employees can protect themselves against injury or illness. “STOP” is also easy to remember and essentially entails stopping, thinking and assessing the situation before acting. This reflects the core idea behind STOP.

STOP		
S	Substitution	Replace a hazardous product with a less hazardous product
T	Technical	Use safety devices (rails, coverings, etc.)
O	Organisation	Prohibition on access to hazardous areas/work instruction/establishing controls
P	Person	Protection with PPE, individual training

Occupational health services

The AEH Centre for Occupational Medicine provides occupational medicine services in accordance with Swiss law (FCOS Directive 6508) as well as other in-house medical services within the ambit of services under the AMAG Group Operations Solution. The various aspects of occupational medicine are regulated in chapter 9 (and the annexes) of the AMAG Group Operations Solution. The services include the following aspects:

- Implementation of risk and hazard assessments at the collective level
- Provision of advice to the employer (Management Board and line managers) and employees concerning occupational health and safety (including consultation hours)
- Development of proposals to prevent accidents and occupational illnesses and to remove hazards
- Organisation of first aid, emergency medical care and rescue
- Assessment of health and safety protection aspects from an occupational medicine perspective
- Investigation of workplace conditions with reference to the prevention of occupational illnesses
- Initial examinations and check-ups in order to assess employees' fitness for their future or current activities (upon request)
- Provision of advice in relation to medical and professional rehabilitation and reintegration of employees (upon request)
- Implementation of maternity risk assessments

The AEH has an occupational medicine team composed of six specialist doctors (a detailed list can be downloaded from sgarm.ch/wordpress) along with further specialist medical staff in order to perform its tasks. AEH holds all licences required in order to carry out its activities.

All medical data are subject to patient–doctor confidentiality and are handled in accordance with data protection requirements. AEH uses specially secured occupational medicine software for this purpose (ISISMED).

Occupational medicine support can be accessed individually via the central coordination unit of the Group Operations Solution. After approval has been granted, the employee may arrange an appointment with AEH.

403-4

Worker participation, consultation, and communication on occupational health and safety

Employees of AMAG or their representatives and the competent managers have specific rights of involvement in accordance with Article 10 of the Employee Involvement Act (EIA, Bundesgesetz über die Information und Mitsprache der Arbeitnehmerinnen und Arbeitnehmer in den Betrieben, MwG), Article 82(2) of the APA, Article 6a of the APO, Article 6 of the Employment Act (EmpA, Bundesgesetz über die Arbeit in Industrie, Gewerbe und Handel, ArG) and Articles 5 and 6 of the EmpO 3. These include the right to be heard comprehensively at an early stage as well as the right to submit proposals before AMAG as an employer takes a decision. The employer must provide reasons for its decision in the event that it does not take account of the employee's objections or proposals, or only does so in part.

There is involvement at the senior management level (AMAG Management Board) in the form of an employee representative and an occupational health and safety expert, the so-called "ASA specialist". The employee representative and the ASA specialist are fully incorporated into the Steering Committee at the senior management level.

At the level of AMAG businesses, employee involvement has the aim, amongst other things, of promoting dialogue at work, thereby contributing to positive engagement between the employer and its employees. Well-informed employees identify more strongly with the business, which also has a knock-on effect in terms of motivation and productivity.

Employees have a right of involvement in the following areas:

- All working conditions, where related to occupational health and safety (e.g. arrangement of working areas and workspaces; arrangement of machinery and equipment; organisation and configuration of work)
- Transfer of the business to a third party
- Large-scale redundancies

Employee involvement is regulated in chapter 8 (and the annexes) of the AMAG Group Operations Solution.

403-5

Worker training on occupational health and safety

Knowledge and know-how are necessary in order to act in accordance with health and safety requirements. All employees must be duly informed during ordinary working hours in line with their level of responsibility and must receive regular education and training in order to perform their tasks. All employees must be informed concerning hazards and stress factors within the business and know how to take appropriate action to ensure safety.

The induction of new employees must occur promptly after they have started work. Particular consideration must be given to trainees and temporary employees.

The induction of new employees must cover

- goals;
- hazards within the business;
- duties and rights;
- necessary action;
- the situation regarding absences, accidents and illnesses;
- what to do in the event of an emergency.

This list is not exhaustive. Employee training is regulated in chapter 3 (and the annexes) of the AMAG Group Operations Solution.

403-6

Promotion of worker health

The protection of health at work is regulated in Article 6 of the EmpA. EmpO 3 sets out the following minimum requirements:

AMAG must take any action that is necessary in order to ensure and enhance the protection of health and to guarantee the physical and psychological health of employees.

The offer of psychological support was heavily restricted during the year under review due to the pandemic. The focus was placed on raising awareness concerning certain issues:

- **“Day of Light on 4 November”** (Anyone who makes sure they are properly lit will be seen better and earlier – especially during poor visibility conditions)
- **“Safely into the valley and not to hospital”** (Screaming out loud while hurtling down the run: tobogganing is fun.)
- **“Don’t underestimate long braking distances”** (The faster the e-bike, the longer the braking distance.)
- **“Water sport”** (Finally outside again to enjoy the summer: getting wet is great when it’s hot.)
- **“Stop those green fingers turning blue”** (The start of summer draws lots of people into their gardens. Paring back, weeding and planting.)
- **“gsund@amag snack”** (The top three businesses for health and safety get a snack from gsund@amag.)
- **“Helix runs”** (jogging together)
- **“AMAGtiv fitness area”** (fitness opportunity at the Cham site)
- **“Vital menu”** (special menu in the employee restaurant “timeout” at the Cham site)

Further measures during the COVID-19 pandemic:

- Free “Livinguard” masks for all AMAG employees
- Free FFP2 and surgical masks and disinfectant at all sites
- Free COVID-19 tests (Helix)

403-7

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Staff not employed by AMAG may be appointed to work at trade fairs or to provide the Chauffeur Drive service. These staff are also subject to stringent statutory requirements laid down in FCOS directives for outsourced staff as well as internal health and safety requirements. For details, see the occupational health and safety management system 403-1, page 113.

403-8

Workers covered by an occupational health and safety management system

All 6500 AMAG employees are covered by the AMAG Health and Safety Group Operations Solution.

403-9

Work-related injuries

	2019	2020	2021	
For all AMAG employees	Number of deaths due to work-related injuries	0	0	0
	Rate of deaths due to work-related injuries	0.0000	0.0000	0.0000
	Number of work-related injuries resulting in an absence longer than 6 months	4	2	1
	Rate of work-related injuries resulting in an absence longer than 6 months	0.0803	0.0416	0.0197
	Number of reportable work-related injuries (including deaths resulting from work-related injuries)	436	322	360
	Rate of reportable work-related injuries (including deaths resulting from work-related injuries)	8.7570	6.6966	7.1009
	Number of hours worked	9,957,766	9,616,764	10,139,494
	For all non-employee staff whose work and/or workplace is nonetheless under AMAG control (e.g. event hosts)	Number of deaths due to work-related injuries	0	0
Rate of deaths due to work-related injuries		0	0	0
Number of work-related injuries resulting in an absence longer than 6 months		0	0	0
Rate of work-related injuries resulting in an absence longer than 6 months		0	0	0
Number of reportable work-related injuries (including deaths resulting from work-related injuries)		2	3	0
Rate of reportable work-related injuries (including deaths resulting from work-related injuries)		1.8614	3.4219	0.0000
Number of hours worked		214,888	175,339	118,179

The precise figures reflect the position as at 31 December 2021. However, the underlying figures also frequently change retrospectively where reports are submitted at a later date. All rates have been calculated assuming a total of 200,000 hours worked. Commuter accidents are included in the figures, but cannot currently be computed separately due to the way in which data are collected internally.

GRI 404

Training and Education

103-1/2/3

Management approach

AMAG is aiming to become the leading provider of sustainable individual mobility. In order to achieve this goal, the company needs technically skilled, committed, innovative and motivated employees. Professional training as well as regular employee qualification and development play a central role in this regard. AMAG ensures the employability of its workforce through comprehensive, needs-based education and training – whether by the AMAG Academy or by Leadership & Development.

Policies, responsibilities and regulatory requirements

Education and training is regulated in corresponding education and training regulations. AMAG supports the principle of lifelong learning with generous contributions to the costs of business-related education and training. All training offered is essentially available to all employees, irrespective of gender, function or age.

Responsibility for education and training lies with the Academy operated by AMAG Import AG as regards any training with job relevance or technical training and with the Leadership & Development department as regards management training and staff development.

Structure of the education and training programme

The education and training offered by AMAG is constantly reviewed and adjusted in line with the strategic needs of the business and of employees. A focus is placed on hands-on learning, which has proved to be particularly effective and efficient.

The quality of training and of the trainers used is regularly reviewed with reference to feedback from participants. Any content considered to be unsatisfactory is revised or unsatisfactory providers are replaced by other specialists. Needs are identified during the annual employee review. This gives AMAG the opportunity to react very quickly and in advance to changing needs and to adjust the offer.

Digitalisation and development of a digital and agile mindset

The changes brought by digitalisation are also influencing how the car industry operates and are affecting – in some cases fundamentally – how work will be performed in future. In order to prepare employees for these changes, new forms of digital learning are being used (both online and blended learning), which have been particularly popular. In addition, it is planned to create “digital champions” over the next few years, who will further promote this issue amongst the workforce. Special attention should be also paid in this regard to AMAG management staff, who are exemplary in implementing digital change along with their teams. For this reason, the core leadership programme has been adjusted to incorporate issues such as “new work”, “management in a VUCA world” and “agile and digital leadership”.

Talent management

Alongside the offer of needs-based education and training, strategic talent management is another very important way of identifying, developing and retaining highly qualified employees. Talent are systematically identified each year at AMAG through wide-ranging employee reviews. Talent will not only have an extraordinary performance record but will also display a personal desire to develop further and to take on new functions. All talent receive a personal development plan (PDP), which sets out in detail the next career steps and the necessary training. Talent within business units are discussed in general terms at so-called “talent conferences”. This ensures that talent are systematically moved into available positions and that key roles are filled with appropriate talent.

404-1

Average hours of training per year per employee

Each year, AMAG invests in the development of its employees and offers a broad spectrum of training formats and learning resources. Arrangements are currently being made to collect data relating to the number of hours of training completed per person each year.

404-2

Programs for upgrading employee skills and transition assistance programs

Diverse education and training opportunities

Employees of AMAG can register directly via learning platforms (Learn, REXX) for all training offered. A focus is placed on specialist, methodological and management skills, personal and social skills, auto-related technical expertise, sales knowledge, project management, IT application skills and foreign languages. In addition, very specific programmes are developed for individual departments or business units upon request or where required. For example, these include telephone training for call centre employees or specific management training for management staff at lower levels of responsibility. Training is also offered in relation to new regulations and issues such as risk management, auditing and compliance as well as data protection and occupational health and safety.

AMAG developed the long-term empowerment (LTE) programme in order to ensure that older staff also remain fit for work for as long as possible. This involves providing specific opportunities concerning the digital, physical and mental fitness for employees over 50. The mentoring programme was set up in 2021, under which experienced management staff share their knowledge and know-how with younger management staff, thereby supporting them in their development.

AMAG regards training younger generations and promoting young talent as being particularly important. It is one of the leading training centres in Switzerland. A total of 745 trainees are currently completing apprenticeships in 13 different professions, from the workshop through logistics to retail trade and office work. Around 10% of trainees also receive special support through the programme for young talent. In order to enable all trainees to be properly trained, their professional trainers complete annual advanced training modules.

Performance reviews

AMAG requires mandatory annual employee reviews in which individual training and career planning is discussed and planned. Checks carried out by the Human Resources department identified a completion rate of 97% in 2021.

404-3

Percentage of employees receiving regular performance and career development reviews

	2019	2020	2021
Proportion of employees who receive a performance review	76%	79%	77%
Proportion of men	77%	79%	77%
Proportion of women	73%	75%	75%
Proportion of sales employees who receive a performance review	96%	98%	95%
Proportion of administrative employees who receive a performance review	73%	75%	74%
Proportion of workshop and warehouse employees who receive a performance review	71%	73%	71%

GRI 405

Diversity and Equal Opportunity

103-1/2/3

Management approach

AMAG recognises that mixed teams offer a variety of ideas and perspectives. They are able to devise better solutions and provide better services to customers. AMAG considers diversity as offering a major opportunity for achieving better reciprocal understanding as well as a respectful and lively culture. During the year under review, 84% of AMAG employees were men and 16% were women, with 72 different nationalities represented.

More diversity through flexible working models and promoting part-time work

Diversity and equal opportunities are important elements of the company's strategy. All employees have the same opportunities for career development – irrespective of age, nationality, private life or family status. The Human Resources department defines measures within the ambit of the diversity strategy for promoting diversity and equal opportunities. These include, amongst others, flexible working models, the option of working from home and the promotion of part-time work across all functions.

Promoting equal opportunities

As a whole, AMAG has a low proportion of female employees, which is also true according to an industry comparison and when compared against other EU member states. In 2021, the proportion of women was 16.3% for all employees, 13.2% for management staff and 9.9% for trainees.

AMAG wishes to increase gender and generational diversity over the coming years through a comprehensive package of measures. All measures will be based on business-specific targets and regular assessments. A major focus will be placed on attractiveness for and the recruitment of diverse employee profiles, the active promotion of part-time work and job-sharing arrangements as well as the establishment of lifelong learning and lateral entrant programmes.

405-1

Diversity of governance bodies and employees

	2019	2020	2021
Board of Directors	6	6	5
Women	1	1	1
Men	5	5	4
Executive Board	11	12	14
Women	1	1	1
Men	10	11	13
Aged 30 or under	0	0	0
Aged between 30 and 50	3	2	6
Aged over 50	8	10	8
Other senior management	15	17	17
Women	1	1	1
Men	14	16	16
Aged 30 or under	0	0	0
Aged between 30 and 50	3	6	4
Aged over 50	12	11	13

Total employees			
	2019	2020	2021
Total	6175	6064	6224
Women	986	969	1014
Men	5189	5095	5210
Employees aged 30 or under	2257	2128	2171
Women	364	340	351
Men	1893	1788	1820
Employees aged between 30 and 50	2667	2693	2772
Women	448	451	474
Men	2219	2242	2298
Employees aged over 50	1251	1243	1281
Women	174	178	189
Men	1077	1065	1092

As at 31 December 2021.

405-2

Ratio of basic salary and remuneration of women to men

In 2020, AMAG arranged for a comprehensive salary equality analysis to be carried out by an external provider. The "Fair ON Pay" analysis was carried out by Comp-On AG with the aim of establishing salary equality at the company level using the federal government's salary equality tool ("Logib"). Experts carried out analysis according to a systematic process based on employee data. The main analysis and all sub-analyses confirmed with a high degree of confidence that the AMAG (Switzerland) Group and all sub-entities employing more than 100 employees were clearly complying with requirements of equal pay for equal work between women and men in line with current Logib parameters. In obtaining this certification, AMAG has gone considerably further than the examination required by law. In addition, the result achieved by AMAG lies within the tolerance range set by law of 5% and shows no statistical evidence of discrimination. The analysis will be repeated at regular intervals.

GRI 418

Customer Privacy

103-1/2/3

Management approach

AMAG is committed to its responsibility to handle the personal data of employees and customers with care. Data represent both a potential and a responsibility for AMAG, which has set itself the goal of upholding and protecting the personality rights of its employees and customers. For this purpose, AMAG has set up a Group-wide data protection organisation. This ensures data protection compliance throughout the business, for instance by adopting policies, through training and awareness-raising initiatives for employees and by regularly reviewing and updating relevant processes in line with applicable data protection requirements.

418-1

Substantiated complaints concerning breaches of customer privacy and losses of customer data

In 2021, no substantiated complaints were made concerning data theft or loss.

Dialogue was conducted with the authorities and a private organisation during the year under review. During the course of this dialogue, AMAG decided to redesign the cookie banner on its website in order to take account of the most recent developments in European data protection practice.

Product ecology: offset print version

This report has been produced in a sustainable manner, which involves printing in a way that saves resources.

- By optimising formatting, paper wastage and the quantity of printing plates have been reduced by around 40%.
- We have reduced the consumption of colour inks by around 30% thanks to prudent design work with low colour usage. By using only two rather than four printing colours, it has been possible to reduce colour consumption by around 25% and to save half of the aluminium printing plates.
- Refutura GSM, the type of paper used to print this report, is made of 100% recycled paper and is climate-neutral and certified by Blue Angel, FSC and Nordic Swan.
- Palamides "Smartflat" technology has been used for the binding, allowing for energy savings of over 50%. In addition, no toxic fumes were generated during processing.

How to obtain your sustainable print version

If you need a printed copy of the AMAG 2021 Sustainability Report, please order it here (available in German, French or Italian):
amag-group.ch/de/verantwortung/bestellformular.html

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Tip

The Sustainability Report has been released in German, English, French and Italian.
The German version is the sole authentic version for all purposes.

