

Würth International AG - Aspermontstrasse 1 - CH-7000 Chur

By e-mail

Ernst & Young AG

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Chur, 19 June 2024

Würth International AG – ESG Report / Determination 2024 pursuant to Art. 964a et seq. of the Swiss Code of Obligations (CO)

Dear Sir or Madam

For the past **financial year 2023** and for your audit purposes and records, we make the following comments on the matter under review:

1. Transparency on non-financial matters - No reporting obligation (Art. 965a CO)

Würth International AG is not a public interest entity within the meaning of Art. 2 lit. c) of the Auditor Supervision Act and is therefore not subject to the transparency regulations on non-financial matters pursuant to Art. 946a CO. For this reason, we are not obliged to report on environmental matters, in particular the CO₂ targets, social matters, employee matters, respect for human rights and the fight against corruption.

2. Due diligence obligations and transparency regarding minerals and metals from conflict areas and child labour (Art. 964j ff. CO)

According to Art. 964j, companies whose registered office, head office or principal place of business is located in Switzerland are obliged to comply with due diligence obligations in the supply chain and to report on this if they:

- transfer minerals or metals containing tin, tantalum, tungsten or gold from conflict and high-risk areas (so-called "conflict minerals") into free circulation in Switzerland or process them in Switzerland; or
- offer products or services that are reasonably suspected of having been manufactured or provided using child labour.

At the end of 2022, Würth International AG introduced a comprehensive risk management system in close cooperation with the German Group parent company, Adolf Würth GmbH & Co. KG, and with the support of an external service provider, Integrity Next GmbH, which enables us to carry out specific risk analyses within our supply chain to ensure compliance with our due diligence obligations. At the same time, Würth International AG has defined and publicized its supply chain policy.

The core objective is to ensure compliance with and safeguard due diligence obligations within the supply chains. This is achieved through the use of the Integrity Next platform by suppliers and a reporting procedure on the Würth International AG website in the event of suspected cases of risk within the supply chain. The ESG Risk Calculation and the response to the "Human Rights & Labour", "Health & Safety" and "Conflict Minerals" compliance assessments identify and evaluate potential risks within the supply chain. Risks can also be analyzed and assessed by obtaining further information, on-site inspections of suppliers, by experts and specialist literature and by recognizing standards and certifications.

In addition, Würth International AG supports and advises other subsidiaries of the Würth Group Switzerland (www.wuerth-gruppe.ch) in this context and prepares the aforementioned risk assessments for these companies, which in turn serve to determine their reporting obligations in accordance with Art. 964j ff. CO.

2.1. Determination regarding conflict minerals and metals

The review of our products with regard to problematic conflict minerals was carried out in close consultation with our expert team at Würth Logistics AG and on the basis of the tariff numbers of the individual products in our product portfolio. Our review has shown that Würth International AG does not transfer any metals such as tin, tantalum, tungsten, or gold above the defined minimum thresholds

into free circulation in Switzerland and is therefore exempt from the due diligence and reporting obligations.

2.2. Statement regarding child labour

In accordance with Art. 5 of the Ordinance on Due Diligence and Transparency (VSoTr), Würth International AG is subject to the obligation to check whether there is a reasonable suspicion of child labour within its supply chains. It is not exempt from the duty to check (Art. 6 VSoTr).

By using the Integrity Next platform, a country- and sector-specific risk analysis is carried out with regard to child labour, which the ESG Risk Calculation determines in abstract terms for a specific supplier company or a company's own business unit and facilitates the implementation of due diligence obligations.

Subsequently, Würth International AG performed the following audit procedures:

Suppliers are involved in ensuring compliance with due diligence obligations with regard to child labour within supply chain management. Suspected cases of child labour can be reported to Würth International AG on its website. No suspected cases were reported via the website in 2023. The risks are determined and assessed on the basis of the ESG Risk Calculation and the suppliers' responses to the Human Rights & Labour Compliance Assessment. Compliance with recognized standards and certification systems is queried here. This is used to determine which suppliers may need to be monitored as part of this obligation. In justified cases of suspected child labour, Würth International AG reviews these and takes measures to prevent or mitigate these negative effects.

The audits described above within our supply chains have not revealed any reasonable suspicion of child labour, so that we are not subject to any further due diligence and reporting obligations in this regard and are exempt from these in accordance with Art. 5 para. 2 VSoTr.

All of the findings presented here were submitted to the Board of Directors for approval in advance of the Annual General Meeting of Würth International AG. Minutes were kept of this meeting of the Board of Directors and its results.

Please do not hesitate to contact us if you have any further questions.

With kind regards

Würth International AG



Bernd Herrmann
President



Thomas Klenk
Vice President