



WE ARE ONE

Sustainability Report 2024

TOGETHER ALL AROUND THE WORLD



Sustainability@CHIRON Group

Dear reader,

Shaping a sustainable future – this has long been an integral part of our far-sighted corporate strategy. Our total commitment to the environment and climate, to our employees, to society and to the long-term success of the CHIRON Group, is based on this responsibility.

For the CHIRON Group, this means we pressed ahead with our global »Sustainability@CHIRON Group« program in 2024, despite significant challenges in the machine tools sector, we are still on course to achieve a net zero emissions balance in Scope 1 and 2 by 2025, and we were once again able to reduce our emissions in Scope 3. We have developed new products, such as the Micro5 XL, enabling excellent production results with low energy consumption. And we have also started implementation of the measures approved by the Science Based Target Initiative (SBTi).

The sustainable development of the CHIRON Group is a transparent process, in which all stakeholders can participate. This fourth sustainability report provides details of our efforts and activities in 2024. This time, our report is focused and makes no direct reference to the Global Reporting Initiative (GRI). That's because, in the background, we are already actively preparing for the future reporting requirements of the Corporate Sustainability Reporting Directive (CSRD).

For our Sustainability Report 2024, we have deliberately chosen the motto »WE ARE ONE« again, because we form one strong unit in our commitment to a worthwhile future. The willingness to work on sustainability issues is constantly increasing in the CHIRON Group worldwide. From page 14, you can read about the successes of our locations in different areas, and their plans for the future.

We hope you enjoy reading the report and are inspired by it!

Markus Unterstein, CFO
Speaker of the Group Executive Committee a.i.

Dr. Claus Eppler, CTO



The Global Executive Committee of the CHIRON Group (from left): Markus Unterstein and Dr.-Ing. Claus Eppler

Global focus on sustainable and precise manufacturing solutions

The CHIRON Group combines worldwide expertise and pursues a common goal: maximum precision and performance for the manufacturing solutions of tomorrow. The international corporate group represents innovation, quality and reliability – regardless of the location or user industry. Its global presence with production sites in Germany, China, the USA, Croatia and Poland enables the CHIRON Group to use synergies and drive forward technical developments. The clear guiding principle throughout: achieve more together. »WE ARE ONE«.

»WE ARE ONE«

This unity is reflected in an unmistakable, strong brand image, which stands for maximum quality worldwide. »WE ARE ONE« also has an internal impact, signifying intensive internal collaboration: Worldwide, the CHIRON Group is a reliable partner ensuring the success of its customers.

Global challenges must be met with comprehensive solutions. The CHIRON Group relies on the close in-

terlinking of expertise, technologies and services to ensure uniform quality standards worldwide. From ultra-precise milling to efficient turning or digital solutions: The focus is on developing sustainable, forward-looking manufacturing concepts. With a strong global orientation, the CHIRON Group offers its customers powerful and flexible solutions, which are focused on the individual requirements of their industry and manufacturing scenario.

CHIRON Group

Micro-precision machining	Single spindle vertical milling Multi-spindle vertical milling Mill-turn	Spindles	Fixtures	Automation Specialized machining	Refurbishment
Digital Solutions Turnkey Services					
Aerospace	Automotive	Mechanical Engineering	Medical Technology	Precision Technology	Tool Manufacturing

The CHIRON Group in numbers (as of December 31, 2024)

CHIRON Group	Family-owned company	7	production sites worldwide (Germany, China, USA, Croatia, Poland)
> 100 YEARS	of experience	12	countries with sales and service subsidiaries
~ 286	million euros of incoming orders	> 45	further countries with sales agencies
> 1,800	employees	> 29,700	machining centers installed worldwide
> 300	employed engineers	> 120	trainees

PERFORMANCE MEETS PRECISION

competent, smart, innovative, sustainable – the interplay between these four attributes is integral to the actions and, consequently, to the quality of the products and services of the CHIRON Group. Day in, day out.

From development, to production, all the way through to sales and service: With a strong sense of team spirit, employees at all sites and in all subsidiaries develop future-proof solutions for complex challenges. Working together to fulfill the promise the CHIRON Group makes to its customers throughout the world: PERFORMANCE MEETS PRECISION.

This promise is both a requirement and an obligation. The same applies to the increasing focus on economic, ecological and social aspects: The CHIRON Group also takes its responsibility in this area extremely seriously, tackling global challenges such as climate protection, resource efficiency and reducing carbon emissions head on. Environmental protection, quality, energy consumption and occupational health and safety therefore play a central role in the practices of the CHIRON Group. Both today and tomorrow.



CHIRON Group trade show stand at AMB 2024 in Stuttgart

Almost half of the emissions in Scope 1 and 2 at the CHIRON Group are due to electricity: in total, this accounted for 1,485 tCO₂ in the reporting year. This marks a reduction compared to the previous year's figure of 1,892 tCO₂, yet electricity still had a significant influence on the corporate group's total emissions.

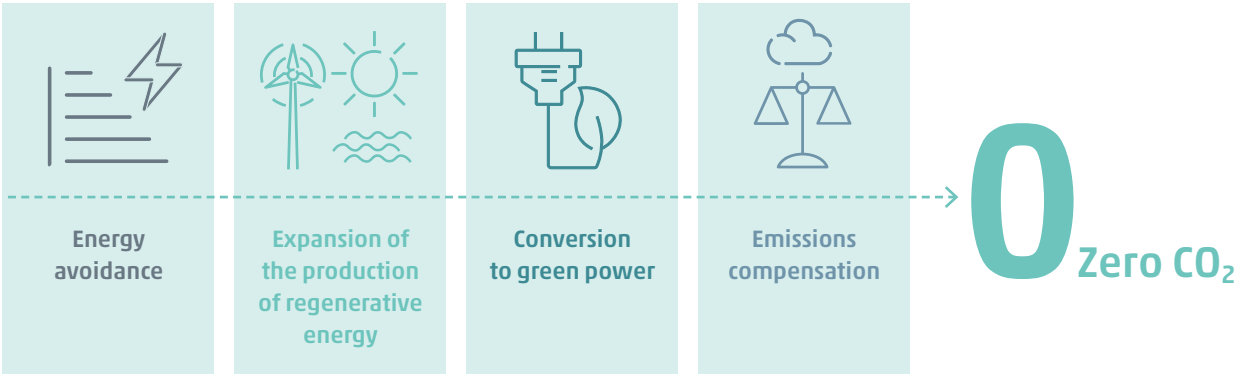
In the 2024 reporting year, the PV plants in Neuhausen, Taicang and Zadar made a significant contribution towards increasing the share of green power – in particular at the international locations. Around 16 % of total electricity requirements were met by in-house production in 2024. However, generating own electricity, with the associated emissions avoidance, is just one of two important components that speak in favor of rolling out PV

projects. The second aspect is the resulting long-term price stability and reliability of supply.

That's because the global energy markets, which are becoming increasingly volatile, can have a negative influence on the economic performance of the CHIRON Group. Therefore it is also a stated goal to further expand the capacity of the PV plants at all sites.

Another goal to help achieve climate-neutral production is the conversion to green power. This has already been implemented at all German sites. The CHIRON Group compensates for the remaining greenhouse gas emissions (GHG) in Scope 1 and 2 through certified climate protection projects.

The four levers of the CHIRON Group for climate-neutral production



*All CO₂ figures on the following pages are CO₂e values and therefore CO₂ equivalents. These represent a unit of measurement to standardize the climate impact of different greenhouse gases. In addition to CO₂, these also include methane, nitrous oxide and the so-called F-gases: Hydrofluorocarbon, perfluorocarbon, sulfur hexafluoride and nitrogen trifluoride.

The energy efficiency potentials were calculated as part of the climate strategy. Electricity as an energy source accounted for a savings potential of 12 % by 2026. The CHIRON Group was able to reduce the demand for electricity by 1,490 MWh worldwide, to 13,526 MWh (previous year: 15,016 MWh). This reduced emissions by 407 tCO₂. The calculated potential for thermal energy as an energy source (gas and

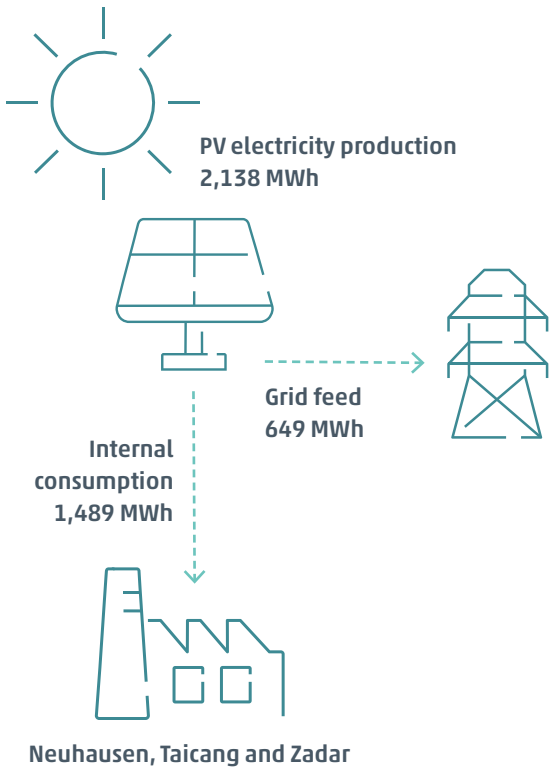
district heating) lies at a 10 % saving. There was an equally positive trend in the emissions caused by mobility. Global energy consumption of fuels was reduced by 728 MWh to 7,138 MWh (previous year: 7,866 MWh). The reason: Diesel vehicles are increasingly being replaced with gasoline vehicles with lower emissions values.

Implication for lever 2: Green energy production

With the PV plants at the Neuhausen (745 kWp), Taicang (1,014 kWp) and Zadar (183 kWp) sites, a significant step was taken towards expanding the generation of regenerative energies. At the sites in Neuhausen and Taicang, electricity was generated throughout 2024, amounting to a total of 1,952 MWh. Of this, 618 MWh was fed into the grid, preferably at the weekend. The remaining 1,334 MWh was used for internal consumption.

The PV plant in Zadar was commissioned in the middle of the year and generated 186 MWh of electricity in the second half of the year, of which 31 MWh was fed into the grid and 155 MWh was consumed internally. At the Zadar site, heating was converted from oil to electricity last year and can also be operated with the PV plant at times.

The total amount of self-generated electricity in 2024 was 2,138 MWh. Other projects are already being planned.



Implication for lever 3: Purchase of green power

The CHIRON Group used 100 % green power at all German sites. Either electricity contracts were converted to green power or green electricity certificates were procured on the market. The aim is to

convert all worldwide sites to green power in 2025. These measures help increase the share of renewable energy in the energy mix and further improve the carbon footprint.

Implication for lever 4: Remaining compensation

Despite all efforts, certain CO₂ emissions remain unavoidable. To compensate for this, the CHIRON Group is investing in high-quality climate protection projects, which meet the VCS or Gold Standard. To achieve the goal of being climate neutral in Scope 1

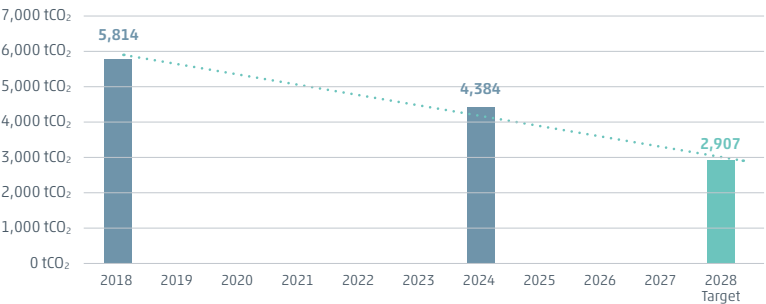
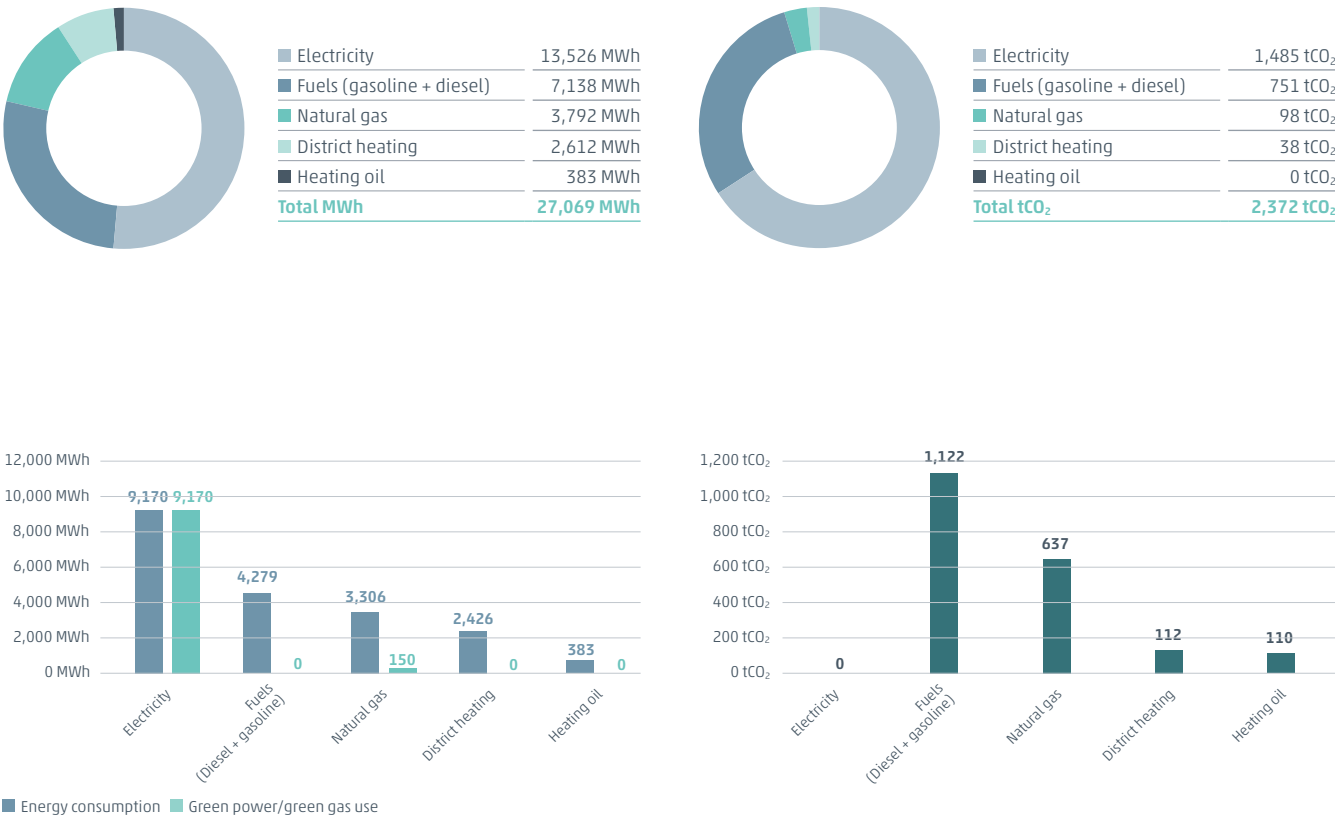
and 2, the plan is to expand these offset measures globally from 2025. The CHIRON Group also values transparency in the reporting of the corresponding offset quantities, see page 8.

SBTi confirms the emission reduction goals of the CHIRON Group



What is a science-based target?

A science based target (SBT) is a precisely defined plan to reduce greenhouse gas emissions that corresponds to the current state of climate science. To achieve the targets of the Paris Agreement, which provides for global warming being limited to 1.5 °C above the pre-industrial level, the targets must correspond with current climate science, in order to be designated »science-based«.



- 50%
compared to 2018

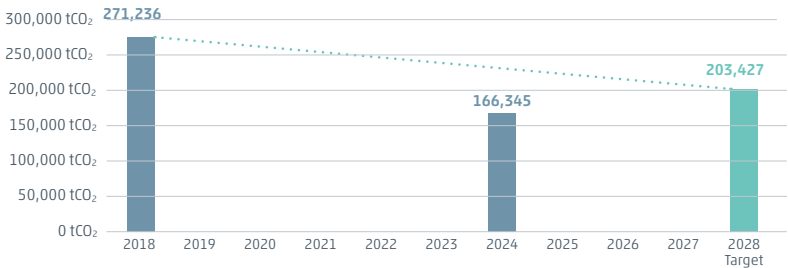
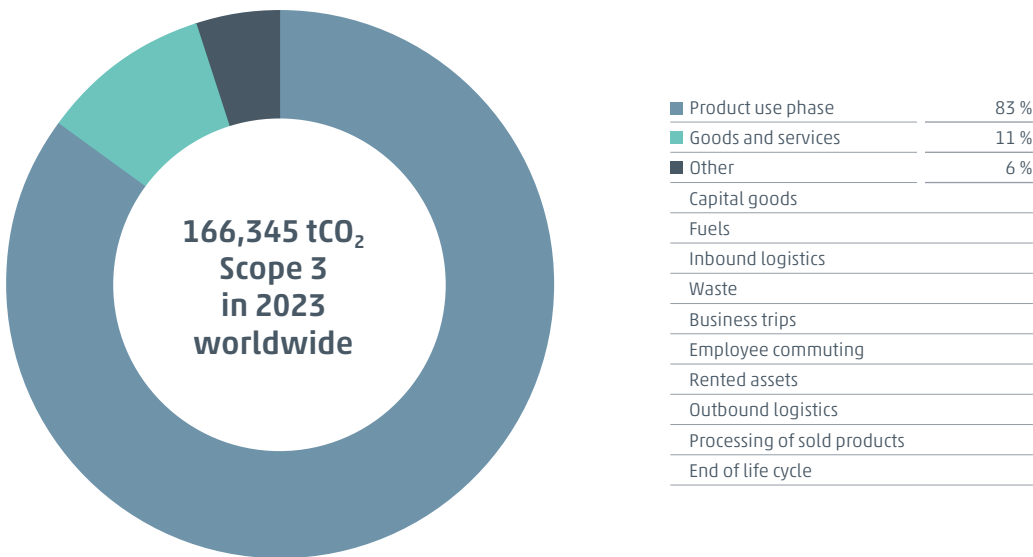
In contrast to the Scope 1 and Scope 2 values shown on page 8, the values according to the SBTi criteria do not take into account offset compensations and green gas use. The share of the offset compensation amounted to 1,981 tCO₂ and the green gas use amounted to 150 MWh or 31 tCO₂. As a result, the emissions of the CHIRON Group in Scope 1 and 2 in the 2024 reporting year according to the SBTi criteria amount to 4,384 tCO₂. In the target year 2028, the reduction target of 2,907 tCO₂ is the goal. This corresponds to 50 % of the 5,814 tCO₂ calculated by the CHIRON Group in the base year 2018.

Scope 3 – Focus of activity

»Scope 3 is much larger than Scope 1 and 2. For this reason, our activities are focused on this Scope and, in particular, on the products and their energy efficiency«, said Benjamin Kurth, Global Program Manager for Sustainability at the CHIRON Group. The product use phase is an important lever in significantly reducing emissions in Scope 3 (3.11). »In part, the reduction achieved in Scope 3 emissions during the 2024 reporting year – 217,692 tCO₂ in the previous year – can be traced back to the high sales figures for the Micro 5. But the value was reduced further by the fact that the CHIRON Group delivered fewer machines overall in 2024 compared to the previous year.«

2,372 tCO₂
Scope 1 and 2 in 2024
worldwide

166,345 tCO₂
Scope 3 in 2024
worldwide



- 25%
compared to 2018

Innovations for resource-optimized production

The CHIRON Group relies on efficient solutions for products and services and supports its customers in improving the ecological footprint in their production processes. Digital services, available from any location, are one example, while repairing and refurbishing motor spindles for an extended service life are another. And then there's the combination of milling, turning and – new – gear cutting with the MT variants of series 715. This ensures production processes that are leaner and more efficient, with all machining tasks being executed on one machine. In 2025, the CHIRON Group is also presenting another innovative micro-machine: the Micro5 XL.



»The Micro5 XL is a logical continuation of our formula for success in micromachining. We have scaled the machine up for the highly dynamic machining of larger workpieces in medical and precision technology. We also see a lot of potential for other challenging industries, such as electronics and mold and die manufacturing.«

Dr. Claus Eppler
CTO



Micro5 XL with integrated peripherals



New micromachine with more possibilities

Productive, dynamic, precise and resource-efficient: The features of the Micro5 are convincing arguments in the market. By the end of December 2024, a total of 170 machining centers had been sold, the majority of these in combination with the Feed5 handling system.

Just as practical and environmentally friendly: the Micro5 XL, which will be presented at the CHIRON Group OPEN HOUSE in May 2025. The new machining center, with a workpiece cubature of 120 mm, more

travel distance as well as a higher cutting performance, stands for advanced machining options. This means, for example, medical technology products such as bone plates, knee inlays or larger watch cases can be produced. It features the same proven advantages as the Micro5, such as high productivity, maximum precision, maximum dynamics and optimum resource efficiency. The set-up area of the Micro5 XL, including peripherals, is just 1.7 m², and its energy consumption is below 3 kWh on average.

The »Micron d'Or« for innovative technology

In the competition for the best innovations at Micronora 2024, the international microtechnology trade fair in Besançon, France, the Micro5 was awarded the »Micron d'Or« in the machine and equipment category. The jury of experts from industry and science, gave the following reasoning: »The Micro5 machining center from the CHIRON Group, with HSC spindle and extraordinary rigidity, achieves outstanding results in all materials, with precision to the nearest micrometer and excellent surface quality.«



»Micron d'Or« award 2024

Easily determine the product carbon footprint

A machining center is made up of thousands of individual parts and in many cases is one-of-a-kind. Given this complexity, how can small and medium-sized enterprises measure the product carbon footprint reliably, with international adaptability, and as easily as possible? To help with this, specialist departments of the German VDW and VDMA together with experts from member companies – including the CHIRON Group – have developed a calculation approach and drawn up a guideline in 2024. This VDMA standard sheet 34178 should ideally lend itself to being further developed into an ISO standard.

Users are guided through the process step-by-step by the Product Category Rules (PCR), which are now available. The addition of individual footprints of the mentally »disassembled« machine plus other factors results in the PCF of the entire machining center, specified as CO₂-equivalent in kilograms. This value can be checked and compared, and therefore represents added value from the customer's perspective.

Taking responsibility together – for the environment, for success

Strengthening global business in the short and long-term has once again been a focal topic for the growth strategy of the CHIRON Group in the 2024 reporting year. With the common goal of becoming an increasingly strong network world-wide, while also accepting social, ecological and economical responsibility for individual employees as well as the corporate group as a whole and for society.

Below an insight into the exemplary commitment to the environment, the sustainable development of employees and the long-term success of the CHIRON Group at various locations.



Group photo of the Managing Directors/CEOs of the CHIRON Group

CHIRON Group SE Award for resource efficiency

In December 2024, the CHIRON Group SE was awarded the KEFF+Label for practicing resource efficiency. Only companies that have implemented verifiable measures for resource efficiency, as demonstrated in a KEFF+Check by a regional competence center, obtain this distinction. Examples of these resource efficiency measures include reducing material costs, making production more efficient and optimizing the use of raw materials.

The award was presented by Manfred Müller, KEFF+ moderator at the climate protection and energy agency for the region of Schwarzwald-Baar-Heuberg. He presented the certificate to the sustainability team, highlighting the economic opportunities that are associated with the strengthened commitment to climate protection. Or, as KEFF+ writes on its website: »Competitiveness through resource efficiency«.

The measures of the CHIRON Group: A further preparation and reverse osmosis system for refrigerant in the CHIRON Group Precision Factory in Neuhausen ob Eck. This means the emulsion for approval checks on new machining centers can be used multiple times, significantly reducing the volumes of lubricant, chemicals, and water. In addition, significantly fewer disposal transportations are required.



Presentation of the KEFF+Label in December 2024

CHIRON Czech Strong partnerships for sustainable success

CHIRON Czech maintains two sites in the Czech Republic, providing sales and service support to customers in both the Czech market and the Slovakian market. For Managing Director Tomáš Tichý and his team, sustainability is of great importance.

To achieve this, he believes it is essential for employees to understand and abide by the corporate strategy. Regular meetings and informal gatherings promote this understanding. Providing continuous feedback enables employees to develop their skills in a targeted manner and, in doing so, promote the success of CHIRON Czech in the long term.

On the one hand, the subsidiaries in Brno and Hluboká nad Vltavou covers the majority of its energy requirement through regenerative energy. On the other hand, Tomáš Tichý values strong customer relationships, strong and long-term collaboration.



International Sales and Service Meeting group photo

CHIRON China
Responsibility for a green future

In line with the global strategy, CHIRON China is committed to reducing energy consumption and converting to green energy. All areas in production, the supply chain and logistics are to operate on a sustainable basis over the long term.

The consistent commitment to sustainability and resource-efficiency is also officially commended: In March 2024, the municipal authority for industry and information technology awarded the company the »Suzhou Green Factory (3A Level)« certification for outstanding services to energy saving, efficient use of resources and environmental protection.

In June 2024, the Taicang Innovation Factory passed the verification of its greenhouse gas emissions for 2023. The certificate from the China Quality Certification Center (CQC) confirms that the greenhouse gas report for 2023 meets the »Reasonable Assurance Level« standard.

The CQC also tested the carbon footprint of the locally produced MILL 3000 machining centers, based on the GB/T 24040-2008, GB/T 24044-2008 and CQC LS-S0001-2019 standards. The inspection included the raw material phase, production phase and other life cycle phases, and the machines were awarded the official certification.

CHIRON Swiss
Technological excellence for sustainable precision

Sustainability is becoming increasingly important in Swiss industry – both for multinational groups and for small and medium-sized enterprises. CHIRON Swiss is leading the way here, by offering resource-friendly manufacturing solutions. Innovation in this area remains a central concern – for ultra-precise manufacturing at high speed, in a small space and with a minimal carbon footprint.

CHIRON Swiss wants to continue to actively promote this transformation, in particular raising awareness among customers in the luxury goods and precision

watch industry – areas in which these principles are already largely anchored. And now also persuading the medical industry, electronics industry and aerospace industry to adopt these sustainable processes. Even internally, the focus is on reducing the carbon footprint: 95 % of emissions are produced through the use of vehicles with combustion engines. The transition to a fleet of electric or hybrid vehicles for field service is therefore an important lever to reduce these emissions, according to Managing Director of CHIRON Swiss, Samuel Vuadens.

CHIRON Croatia
Active for tomorrow in all areas

CHIRON Croatia, based in Zadar, is also continuously optimizing its energy efficiency. Through a hybrid solution of PV and solar thermal systems (PVT collectors), both electricity and heat are generated for the heating and cooling systems and the use of non-renewable fuels is therefore significantly reduced. The employees at the site are continuously being made aware of responsible waste management. In addition, the eco-management system accordingly ISO 14001:2015 is undergoing continuous improvement.

In 2024, CHIRON Croatia refurbished 590 motor spindles and further expanded the spindle repair service. This means fewer resources are consumed and the product life cycle is significantly extended. Following the completed extension of the site in 2025, CHIRON Croatia wants to contribute further to global success as a »Spindle Center of Excellence«.

A complete switch to renewable energies is being planned. Also on the agenda: The further adaptation of the production processes to the principles of the circular economy and environmentally-friendly transport solutions, such as electric vehicles.

For Managing Director of CHIRON Croatia, Mladen Šarlija, commitment to overarching project is central to the future success with qualified experts. CHIRON Croatia works together with faculties for mechanical and electrical engineering, participates in EU initiatives for improved technical training, and maintains partnerships with technical colleges in Zadar.

CHIRON America
Strengthening environmental awareness and providing targeted training for employees

In this reporting year, CHIRON America intensified its activities for recycling and waste avoidance. Since fall 2024, the plastics that accrue during production have been being routed back into recycling circuits.

In addition to ecological measures, the continued promotion of employees is high on the agenda. New HR development paths are being developed to ensure employees receive ideal preparation for new positions or an extended area of responsibility. A succession plan ensures that vacancies can be filled with well-trained personnel over the next five years.

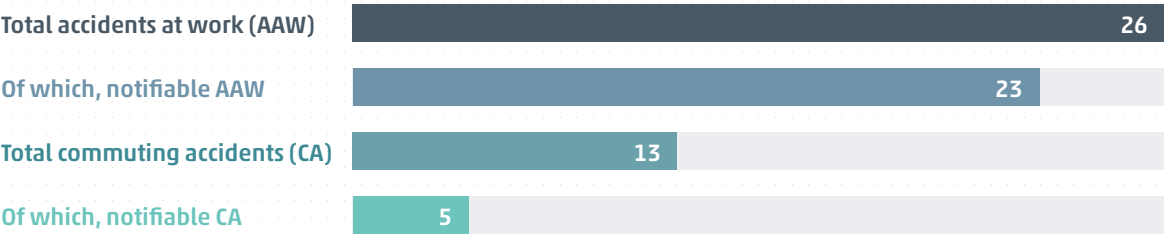
The four-year training program for mechatronics engineers or computer integrated CNC machinists, established in 2012 and implemented to German standards, is also an example of the sustainable HR policy.

In 2025, a program for improved employee health is being launched. The new health team will regularly raise awareness and provide advice about a variety of issues to do with physical and mental health.

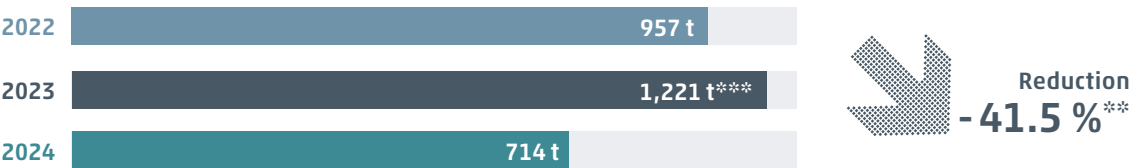


Figures that speak for themselves

Accident statistics 2024

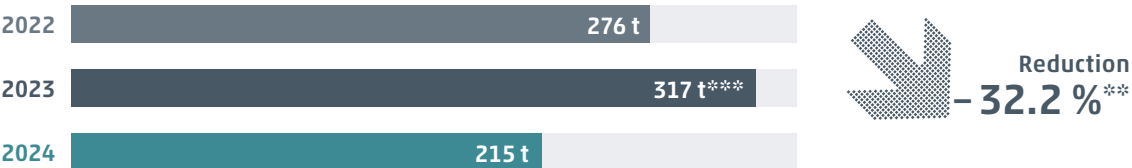


Total amount of waste in Tuttlingen and Neuhausen



** In comparison to the previous year
*** Numbers for 2023 corrected retrospectively

Liquid waste (Excerpt of halogen-free machining emulsions and solutions / waste code 120109*)



** In comparison to the previous year
*** Numbers for 2023 corrected retrospectively



Employees of the CHIRON Group

Region	TOTAL	Active	Not active*	Trainees	Managing directors
Europe	1,511	1,338	55	108	10
America	104	92	0	10	2
Asia	210	186	1	20	3
Total	1,825	1,616	56	138	15

*This refers to employees on parental leave or extended sick leave.

Employees of the CHIRON Group in Germany

Gender	TOTAL	Full time	Part time	Temporary	Permanent
Male	951	937	14	43	908
Female	209	146	63	6	203
Total	1,160	1,083	77	49	1,111

Legal notice

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