

Sustainability Report 2015



03	Editorial
04	Key figures
05	Bucher at a glance
06	Annual report
08	Materiality analysis
10	Kuhn Group
12	Bucher Municipal
14	Bucher Hydraulics
16	Bucher Emhart Glass
18	Bucher Specials
20	Figures and facts
44	GRI Content Index
48	About this report





(G4-1)

Editorial



Dear Readers

During my introductory period at Bucher Industries I was able to visit the Group's many locations around the world. Each one manufactures its own products. Each faces its own challenges. But all the sites are founded on the same values – Bucher values. Sustainability, long-term orientation and continuous improvement are the cornerstones of these values and the foundation of our management principles. Our values find expression in high-quality products, excellent customer service, sensible investments and prudent use of resources. Ultimately, they are the basis of Bucher Industries' economic success and continuing prosperity.

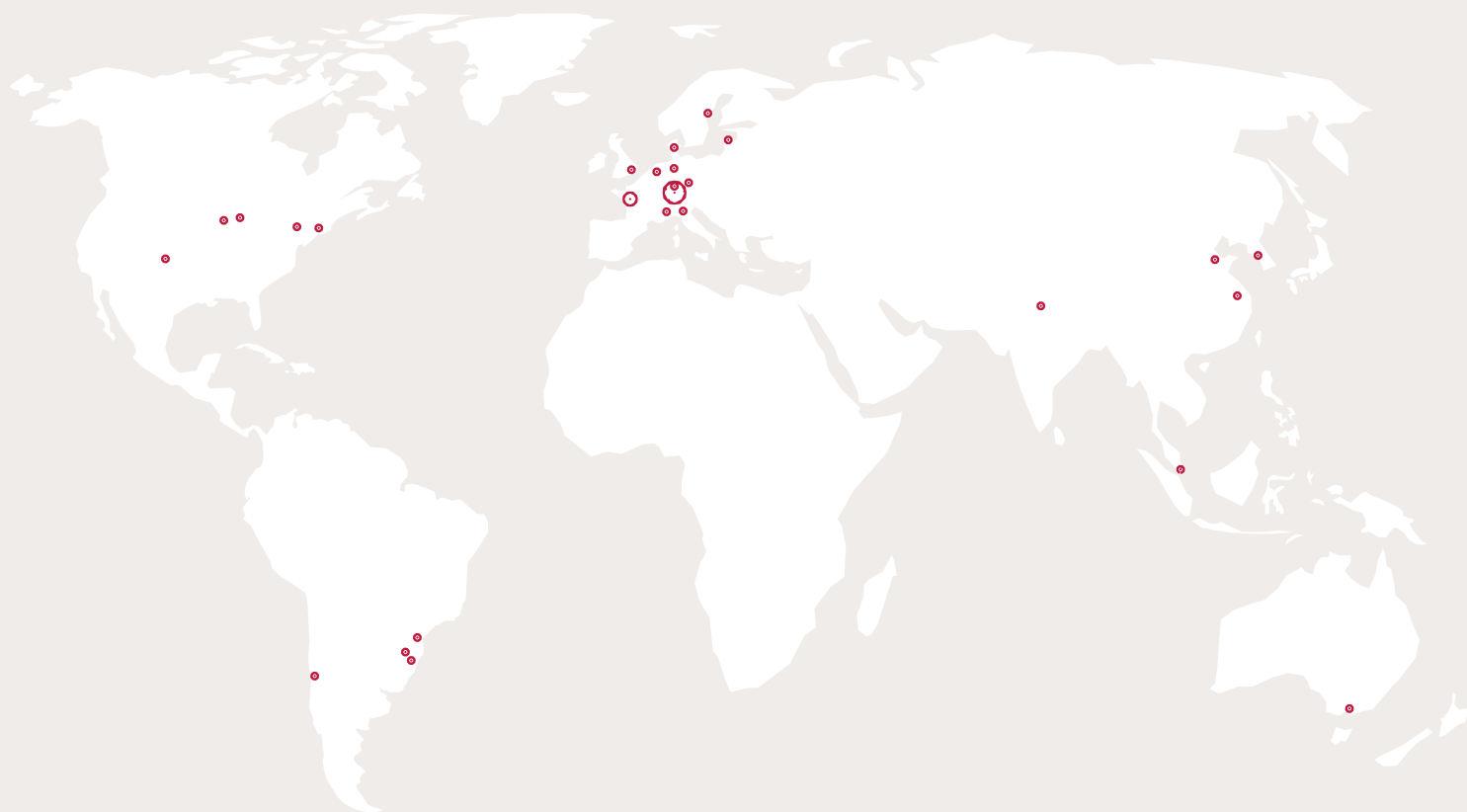
As a new Bucher employee, I feel a sense of commitment to these values.

Jacques Sanche,
Chief Executive Officer

Key figures

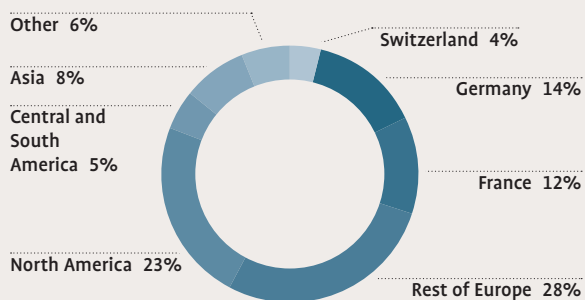
Production sites (G4-6 /G4-9) The world map contains all the Group's 44 production sites. The data collection process for this report took into consideration 33 important production sites which account for 80% of sales and 90% of employees.

Data source: 31 December 2015



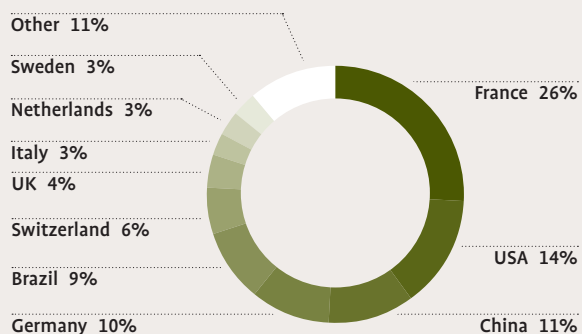
Direct economic value in 2015 generated, by region

Total: CHF 2 515.7 million



Top 10 nationalities

Employees from France represent the highest proportion worldwide at 26%. Most of these work for Kuhn Group.



Data source: 33 production sites with 90% of employees, 31 December 2015

(G4-4/G4-56)

Bucher at a glance

We are a globally oriented Swiss Group, working in industrially related areas of mechanical and vehicle engineering. We operate plants on four continents for the manufacture of agricultural machinery (Kuhn Group), municipal vehicles (Bucher Municipal), customised hydraulic systems (Bucher Hydraulics), machinery for the production and testing of glass containers (Bucher Emhart Glass), as well as for beverage and environmental technologies, automation solutions and a Swiss distributorship for agricultural machinery (Bucher Specials).

Long-term perspective is our credo Our success is built on strong market positions, innovative power and flexible, efficient structures. The consistently long-term orientation of our corporate strategy, coupled with effective, decentralised responsibility for management and performance, ensures sustainable corporate development.

Our mission We develop and manufacture economical, state-of-the-art and environmentally sustainable machinery and systems. We systematically align our activities with customer requirements in the certain knowledge that satisfied customers are the best guarantee for the successful future of our company. Our customers benefit from high-performance, innovative products. The high quality standards to which we aspire are underpinned by excellent service. We offer our committed, highly skilled employees attractive jobs and training opportunities adapted to individual needs.



(G4-18)

Annual report

The reporting year saw the development of sustainability priorities. Bucher Industries identified key sustainability topics for the Group and determined four priorities for the coming years: safety and health of our customers; hiring and retaining diverse and highly qualified employees, including personal development and training; the impact of our products and services on the environment; preventing corruption and adhering to competition law.

To determine the priorities for sustainability Bucher Industries applied the guidelines of the Global Reporting Initiative (GRI). To identify these key topics Bucher initiated a dialogue with internal and external stakeholder groups, conducted comprehensive surveys and interviews and evaluated the results. The priorities as seen by stakeholder groups were determined in a total of 165 personal interviews and through online surveys. The respondents included customers, employees, management, shareholders and investors. The Group prioritised the topics in order of importance to establish the basis for the sustainability of Bucher Industries' operations in the coming years.

Sustainability priorities The materiality matrix on p. 9 of this report shows the eight most important sustainability topics for the Bucher Group. The Group gave five of these topics top priority: safety and health of our customers; hiring and retaining diverse and highly qualified employees, including personal development and training; the impact of our products and services on the environment; preventing corruption and adhering to competition law. The other three priorities – customer satisfaction; generating economic value for all stakeholder groups; and acting in conformity with the law – are all fundamental elements of good business practice and already an integral part of the Group's detailed guidelines.

The next step for the Group will be to formulate specific measures in response to the four key priorities. We will provide information on this process in the 2016 sustainability report.

Reporting in accordance with GRI G4 The present report was prepared in accordance with the G4 standard of the Global Reporting Initiative (GRI). The reporting focused on the topics of key importance to the company. For more about GRI reporting, see p. 48 of this report.

(G4-18 / G4-19 / G4-24 / G4-25 / G4-26 / G4-27)

Stakeholder dialogue and development of key topics

The Group's divisions and individual companies maintain a regular interchange with numerous stakeholder groups. Foremost among these – in addition to the employees and management – are our customers (see page 23 to 25) and major suppliers. Other important groups are the shareholders, financial institutions, analysts, media representatives, as well as industrial associations and organisations. Local authorities and neighbouring communities are also among the stakeholder groups of all Group companies.

In view of the key importance of the employees and management in the divisions and independent companies, internal communication with these groups is a top priority. The larger production sites have a number of platforms for direct exchange between employees and management. Within the Group, one-to-one contacts and a culture of personal interchange prevail. Individual Group companies conducted employee satisfaction surveys; others plan to carry out such surveys starting in 2016.

Dialogue topics and Bucher's response Bucher industries conducted a dialogue on the following topics raised by a number of stakeholders during the year under review:

- Shareholders: current trends in key markets as well as the discontinuation of the minimum euro rate by the Swiss National Bank and its impact on the business development of the Group. The effects of these market trends and the measures adopted were addressed repeatedly in information put out by the Group for external consumption. The internationalisation of the Group's business over many years reduces our vulnerability to regional economic changes. Accordingly, cost-saving measures and strong market positions helped to cushion the adverse influences.
- Employees, business partners and shareholders: Bucher announced the change of CEO and CFO well in advance and in a transparent way, with the result that practically no questions were raised. An appropriate period was scheduled to facilitate the hand-over of these top management positions.
- Customers: customers and dealers place ever higher demands on product ecology and value for money. Demand varies depending on the market and region, ranging from machines that are easy to operate and maintain up to intelligent, high-tech machines with digital control systems. The various divisions and Group companies made use of ideas proposed by customers and dealers as part of the systematic improvement of products and services in all areas of operation. The diversity of customer requirements is satisfied by offering a choice of product versions. Requirements for information were met with specific announcements and events in the markets.
- Employees: occupational safety and healthcare provision, the integration of young employees and retaining and nurturing the younger members of the workforce were important topics. In specially designed programmes, Group companies systematically evaluated employees' proposals for improvements.
- Suppliers: in certain emerging countries, the desired quantity and quality of the products delivered posed challenges for suppliers. Bucher worked in close cooperation with its suppliers and supported their efforts to further improve their effectiveness and efficiency.
- Regulators/authorities: once again, production, environmental and safety regulations issued by the EU – as well as those from national authorities – were amended. Group companies implemented those amended standards that were relevant to them.
- Local population: there were isolated instances of complaints about noise. The production sites involved took steps to reduce noise emissions, removing any grounds for complaint.

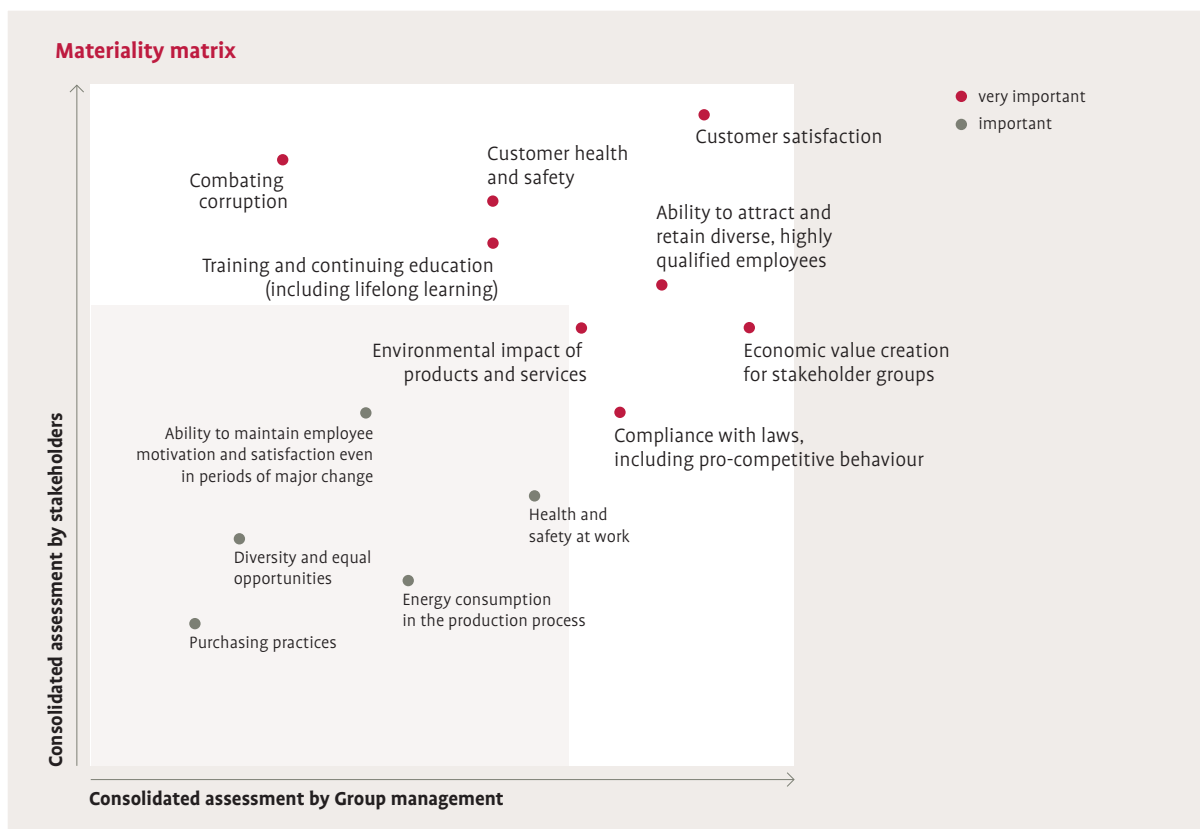
(G4-18/G4-19/G4-24/G4-25/G4-26/G4-27)

Dialogue about key topics and summary in the materiality matrix During 2015 Bucher Industries worked with employees, customers and shareholder representatives to identify the key sustainability topics that are relevant for Bucher (cf. page 7 to 9). The materiality matrix provides an overview, summarising this input. The area highlighted in white in the matrix shows the topics considered of key importance by representatives of stakeholder groups and/or Group management. The following topics were identified:

- Generation of economic added value for stakeholder groups (page 22)
- Customer satisfaction (page 23)
- Customer health and safety (page 18 to 19 and 24)
- Environmental impact of products and services (page 10 to 13, 18 to 19 and 25 to 26)
- Ability to attract and retain diverse and highly qualified employees (page 14 to 17 and 31 to 35)

- Training and personal development (including life-long learning) (page 35 to 36)
- Combating corruption (page 41)
- Compliance with laws (including pro-competitive behaviour) (page 40)

These eight topics are central to the present sustainability report, which was completed in conformity with GRI-G4 Guidelines. Every item in the above list is followed by a page reference under which the relevant topic is discussed.



(G4-EN27)

Kuhn-Blanchard to become official inspection body for crop sprayers

Efficient deployment of crop protectants reduces costs, is good for the environment and provides an opportunity to offer farmers products from environmentally compatible manufacture. To this end Kuhn-Blanchard is becoming an officially accredited inspection body for crop sprayers in France.

To prevent crop failures farmers spray fields under cultivation with crop protectants. However, excessive use of these agents can result in soil and water pollution. As a result, many countries have put strict regulations in place to control the use of such products. For environmentally compatible use of crop protectants, it is essential to have crop sprayers in perfect working order and precisely adjusted to suit local conditions, delivering exactly the right amount of product in the right place at the right time.

Kuhn was the first manufacturer of agricultural machinery in France to make a voluntary commitment to undergo compulsory inspection on a regular basis. As a result, Kuhn-Blanchard itself gained ISO-17020 certification. This entitles the company to issue official inspection certificates for Kuhn crop sprayers manufactured at its own works, but also to certify those made by competitors. The crop sprayers are tested against some 150 criteria covering working condition, correct adjustment and faultless operation. This makes it possible to optimise the efficiency and environmental compatibility of crop protectant usage.

As a special service to customers, Kuhn offers to carry out the first official inspection before Kuhn-Blanchard delivers the machines. This service spares customers the need to commission an inspection themselves at an officially recognised testing station.

Inspection body for crop sprayers, with ISO 17020 certification

Testing for

Working condition

Correct adjustment

Perfect working order

Sustainability benefits

Reduction of costs

Low environmental impact

Eco-friendly product offering



1
Kuhn Deltis 1302 crop sprayer

2/3
Inspection of the crop sprayers
checking some 150 criteria



1
Phoenix Electra spreader

2/3
Intelligent, fully electric
system facilitating very
accurate salt-spreading



(G4-EN27)

Bucher Municipal launches Phoenix Electra, the first fully electric spreader

Fuel-driven machines produce exhaust gas and noise pollution. In 2015 Bucher Municipal launched Phoenix Electra, the first fully electric spreader for winter maintenance. This vehicle is 70% quieter in operation, while CO₂ emissions are eliminated completely.

Road traffic is a source of noise and CO₂ emissions, which have a considerable impact on the environment. This prompted Bucher Municipal to take steps to reduce emissions from its own products. In 2015 the division developed and launched Phoenix Electra, the first fully electric spreader aimed at the professional winter maintenance equipment market.

The spreader stands out for its minimal environmental impact in terms of noise and the complete elimination of CO₂ emissions, thanks to the highly efficient electric motors it relies on. These replace the traditional hydraulic systems. The drive is directly connected with the mechanism and delivers exactly the amount of energy required to power the spreader efficiently. Noise emissions are cut by as much as 70% in comparison with hydraulically powered spreaders. The new model also meets the requirements of EU Directive 2002/49.

Complete elimination of hydraulics means maintenance time and costs are also significantly reduced. The system has an intelligent set-up, allowing the motors to be tuned with an extremely high degree of precision and very accurate adjustment of the salt-spreading function. With this innovation Bucher Municipal is not only making an important contribution to protection of the environment, but also supporting local authorities' efforts to meet their own environmental targets.

Advantages of the Phoenix Electra spreader at a glance

- + complete elimination of hydrocarbon fuel consumption
- + 70% reduction in noise emissions, meeting Environmental Noise Directive 2002/49/EC
- + 40% reduction in energy consumption with the same efficiency of operation
- + no CO₂ emissions; no oil used; and no filters requiring disposal
- + fully recyclable lead-acid battery

(DMA/G4-LA1)

Bucher Hydraulics is nurturing and strengthening a shared corporate culture

Bucher Hydraulics has set itself the goal of establishing a strong, unified corporate culture and identity embracing the whole division. In 2015 the division launched an initiative focused on corporate culture and values, aimed at reaching over 2 000 employees worldwide.

From the springboard of its base in Europe Bucher Hydraulics has grown strongly in the last nine years. This expansion has taken in North and South America as well as China and India. As the business has grown, so too has the importance of creating a strong sense of togetherness to bind the entire workforce.

Bucher Hydraulics has responded to this need with an initiative focussing on corporate culture and values. It includes internal communication conveying common values and attitudes, adapted to the relevant cultural background. To this end, the division conducted interviews with members of the various divisional management teams. The aim was to find out how the same messages could reach employees in all the various countries with equal clarity, effectiveness and emotional impact.

The insights gained through these conversations were evaluated and the key features presented in a Brand Book. Memorable slogans and visualisations are at the core of the Brand Book:

- Who is Bucher Hydraulics?
- What does Bucher Hydraulics make?
- How does Bucher Hydraulics work?
- What are Bucher Hydraulics' goals?

Additional measures complement the initiative on corporate culture and values. These include personal training involving various stages, handover of the Brand Book and presenting and publishing it on the division's intranet. Every head of a Bucher Hydraulics' centre of excellence or sales centre has been given the task of discussing in-depth and putting across the core messages of the Brand Book with his local management team by the end of 2017. In its turn the local management team is tasked with distributing the Brand Book to its staff and providing appropriate training. By means of this interactive approach, the division's key messages can be conveyed to all employees and firmly embedded in an enduring way.

Initiative on values – eight maxims

- | | |
|---|---|
| 1 | "Bringing it all together" |
| 2 | "Respect is earned every day" |
| 3 | "We're partners, not suppliers" |
| 4 | "Growing sales together" |
| 5 | "Working together works better" |
| 6 | "Many backgrounds, one Bucher Hydraulics" |
| 7 | "Products made for customers" |
| 8 | "The right solution anytime" |



The initiative on corporate culture and values strengthens the shared identity of all Bucher Hydraulics' employees.





1
Good lighting conditions at
the workplace

2/3
New production technologies
safeguard employees'
health and preserve the
environment

(G4-LA1)

Bucher Emhart Glass is raising production standards in China on an ongoing basis

Sanjin, the Bucher Emhart Glass joint venture in China, is committed to the continuous modernisation of its production processes. In 2015 the division invested in new paint-spraying and casting processes and improved lighting in the assembly shops.

Bucher Emhart Glass, which sets great store by the ongoing optimisation of processes and quality, installed a new paint shop with modern technology in the reporting year. This improves the colour and paint quality of components and makes the division's glass-forming machines more robust in operation. A consistent visual identity and the high quality of the technologies used strengthen the confidence of customers – glass container manufacturers and bottling plants – in Sanjin. A new exhaust gas treatment system ensures high air quality both inside the production buildings and in the open.

In the Sanjin casting plant, an innovative new coated sand casting technology has been introduced. The new process replaces the resin sand casting technique previously used to produce up to 100 tonnes of blanks a month. This innovation significantly increases the precision of the forms produced and reduces the need for post-processing of the blanks. The new technique also reduces dust formation in the casting plant by up to 70%.

Improvements to the lighting in the assembly shops have created better working conditions. A range of more powerful lighting sources has been installed and newly fitted skylights provide plenty of daylight. The workforce appreciates the brighter working conditions, which ultimately help prevent industrial accidents.

Modernisation of production

- Rotating water-mist separator
- Coated sand casting process
- Good lighting at the workplace

Performance and added value

- > 98% removal of ink residues
- > Precise moulding
- > Reduction of post-machining
- > Prevention of industrial accidents

(G4-EN27/G4-PR1)

Bucher Specials provides dealers with specialist training to conserve resources

Efficient and responsible use of resources is a key selling point in the market. In its capacity as a dealership for tractors and agricultural machinery in Switzerland, Bucher Landtechnik therefore organises advanced training for customers and employees in the responsible use of the products it distributes.

Productivity and efficiency are top priorities in the development of new tractor and harvester models. CNH tractors meet these requirements thanks to automated functions at the end of the field, intelligent linking of tractor and attachment plus GPS-guided work in the field. These features economise on the amount of fuel, fertiliser, crop protectant and seed used and save time. Computer-assisted interaction of the equipment also boosts harvest yields. The systems are based on a user-friendly design, but also demand comprehensive know-how, intensive training and professional advice.

Bucher Landtechnik is therefore committed to providing service personnel at tractor and harvester manufacturers with a high level of training. Bucher Landtechnik also offers training courses for its distribution and service partners across Switzerland. These partners, in their turn, are able to teach workshop personnel and customers all there is to know about tractors and harvesters. This training covers the technical requirements as well as efficient deployment of tractors and harvesters, with minimum environmental impact and maximum safety.

The advantages are plain to see: the work of customers operating the tractors and harvesters is made more comfortable and safer, while the environmental impact is kept to a minimum by optimised use of resources. Application of the lessons learned in the training courses significantly reduces service and repair costs. The approach enables Bucher Landtechnik to make an important contribution to sustainable and efficient utilisation of the products it distributes.

Bucher Landtechnik: training and instruction

On 10–15 days of every year: training courses for all service employees who act as instructors



On 40–60 days of the year: courses of instruction for dealers and service partners



Dealers and service partners provide their own customers with training and instruction

Sustainability benefits

- + Reduction of fuel consumption and lower usage of fertilisers and crop protectant products
- + More comfortable and safer working with tractors and harvesters
- + Reduction of service and repair costs



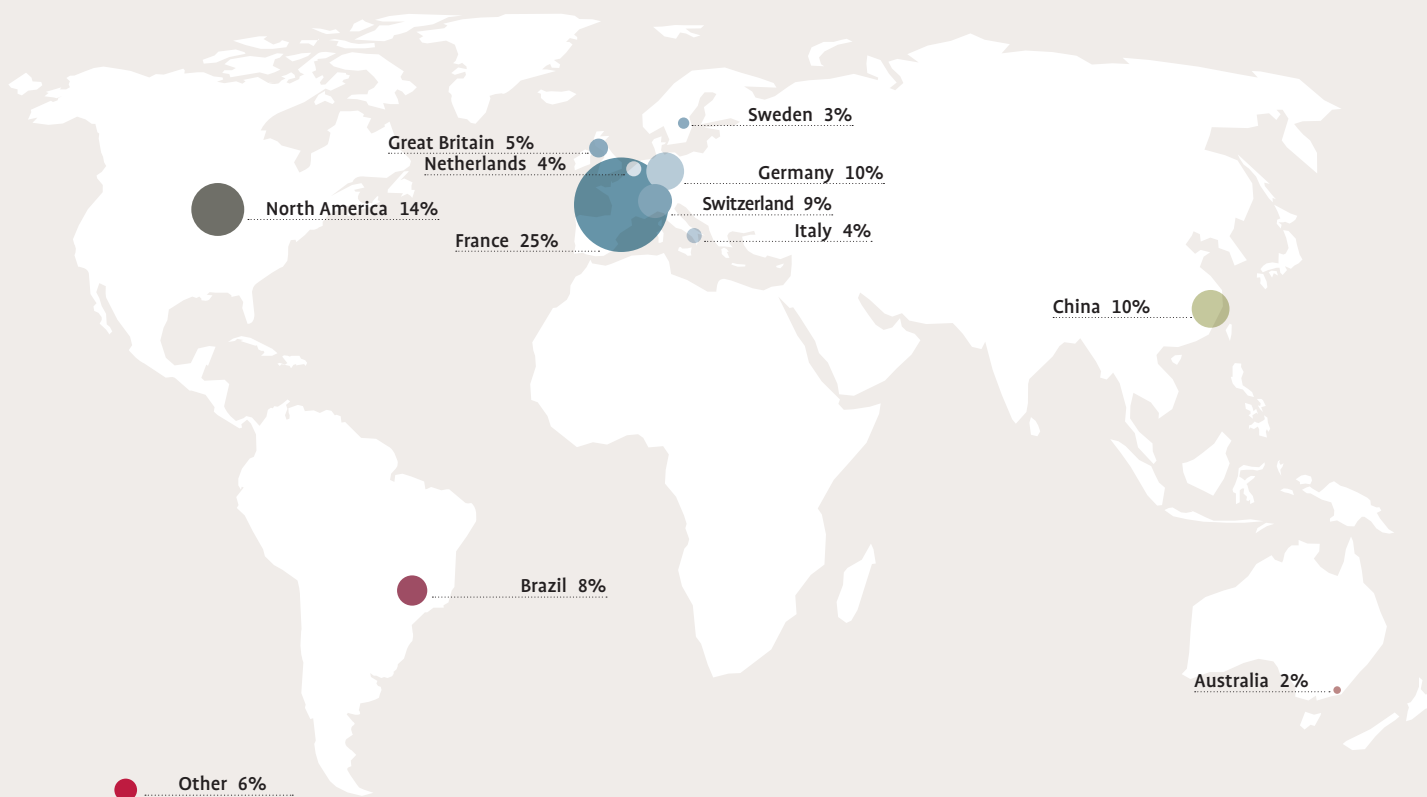
Training in responsible use of the products distributed.



Figures and facts

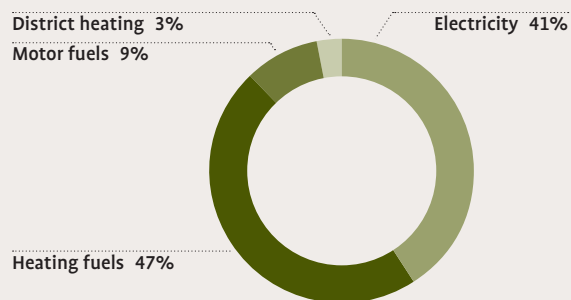
Number of employees in 2015, by region (G4-10) The figures on the world map refer to total Group employees. The data collection process for this report took into consideration 33 important production sites which account for 80% of sales and 90% of employees.

Data source: 31 December 2015



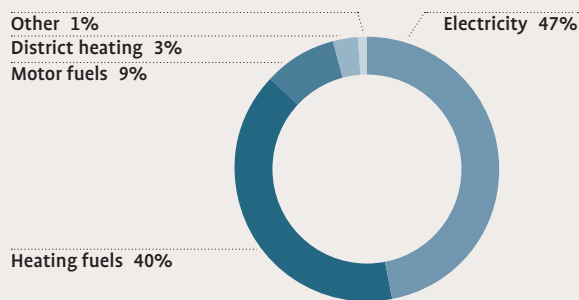
Energy consumption in 2015, by activity

Total: 347 043 MWh



Greenhouse gas emissions in 2015, by activity

Total: 85 898 tCO₂e



Data source: 33 Group production sites

(DMA/G4-14/G4-34/G4-56)

Management approach to sustainability

The sustainable evolution of the company is guaranteed by a corporate strategy which consistently targets long-term development coupled with effective, decentralised responsibility for management and performance.

Bucher embraces the precautionary principle, taking into account not only commercial interests but ecological and social criteria too. The management approach is grounded in the Group's mission statement and vision. The current group-wide Code of Conduct (see <http://www.bucherindustries.com/en/investor-relations/corporate-governance>) provides employees with concrete guidelines to be applied in everyday working practice. This general approach to management by Bucher Industries also covers the area of sustainability. In 2015, the key issues were determined from the perspective of stakeholders and Group management (see pages 8 and 9), and now in 2016 specific measures promoting sustainability are to be defined at Group level.

Within the framework of decentralised responsibility for management and performance responsibility, Group companies will implement their own management approaches, each conforming to the overall outline specified by the Group:

Kuhn Group has defined sustainability targets in a number of areas (personnel, the company's energy consumption, use of resources in the production process, waste management, product development, improving product ecology, etc.), which are used as guidelines for target-setting and performance analysis for the divisions, departments and individual employees. Seven of Kuhn's production plants have ISO-9001 certification.

Bucher Municipal The Bucher Municipal sweepers production site in Great Britain completed the introduction of an energy management system during the reporting year, and was awarded ISO-50001 certification, having already achieved the standards required for ISO-14001, ISO-9001 and OHSAS-18001. The two production plants for winter service equipment in Italy and Germany are also both certified to ISO-9001 and ISO-14001; the plant in Italy has OHSAS-18001 certification. Certificates are confirmed by independent audits.

Bucher Hydraulics At Bucher Hydraulics all production sites are certified to ISO-9001, and selected major plants also have ISO-14001 certification.

Bucher Emhart Glass At Bucher Emhart Glass, four production plants are certified to ISO-9001, three to ISO-14001 and one to OHSAS-18001.

Bucher Specials The Bucher Specials subsidiary Jetter makes use of an integrated management system certified to ISO-9001.

Products and processes

Economic value generated and distributed (G4-EC1) In a challenging market environment, the direct economic value generated by Bucher Industries fell by 11% during the reporting year. The main causes for this were the generally stagnating economic activity and currency effects. Payments to suppliers were correspondingly lower (down by 12%). Specifically, the purchase of materials and other operating expenses were adjusted to the lower capacity utilisation, with reductions of 12% and 12% respectively. The reduction in payments to employees was less, at 7%. A further cut in the cost of debt, amounting to 24%, was achieved by reducing the level of credit, and also thanks to the low interest rate, but shareholders also received a lower dividend in the reporting year (down 15%). On the other hand, tax payments to public authorities remained more or less stable (down 2%).

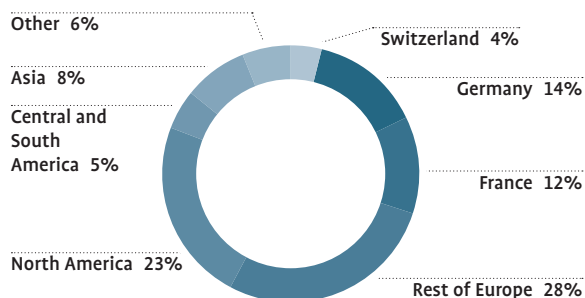
Group: direct economic value generated and distributed

CHF million	2015	2014	Change in	
			%	
1. Direct economic value generated	2 515.7	2 840.0	-324.3	-11.4%
2. Economic value distributed				
Payments to suppliers	-1 640.4	-1 858.3	217.9	-11.7%
Payments to employees	-648.7	-698.9	50.2	-7.2%
Payments to capital investors	-72.3	-87.5	15.2	-17.4%
Payments to public authorities	-70.7	-72.2	1.5	-2.1%
Payments to the community	n.a.	n.a.	n.a.	n.a.
3. Retained economic value generated	83.6	123.1	-39.5	-32.1%

Data source: Figures and consolidation taken from consolidated financial statements in Annual Report 2015.

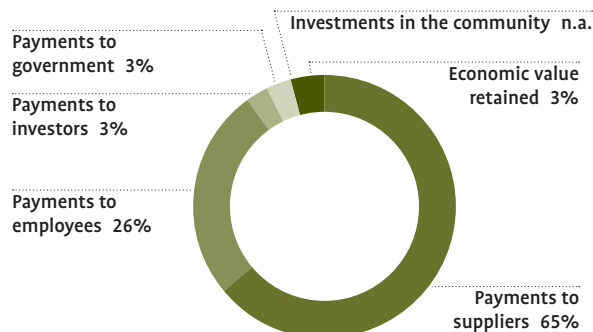
Direct economic value generated, by region

2015



Breakdown by economic value distributed and retained

2015



The extent of the internationalisation of the Group's business, which has been pursued over many years, is revealed by the geographical distribution of the direct economic value generated. Among stakeholders, 91% of the economic value generated went to suppliers and employees.

Customer satisfaction, health and safety (G4-26/DMA/G4-PR5)

Customer satisfaction It is the aim of Bucher Industries to develop and produce machines and equipment which are attractive on technical, commercial and environmental levels. All Group companies therefore focus consistently on the needs of their customers and are keen to know what their customers think about their products and how satisfied they are with them. In order to improve product quality on an ongoing basis and respond locally to individual customers' needs, all Group companies are involved in a regular interchange with customer groups – at trade fairs, retailer meetings and training courses, at open days, through surveys, in one-to-one conversations and via online communication. Along with image videos and brochures, the Group companies also publish product information, operating instructions and other technical information. Customer service experts are on hand to help in the event of any technical problems.

In the reporting year, Kuhn Group researched the level of customer satisfaction with its hay tedders through individual consultation and in an online survey in Germany, France and the Netherlands. High-quality individual discussions on seed drills were held in Germany, France and Poland. In Romania, phone interviews were conducted to ascertain the level of satisfaction with precision seed drills. Customers from a number of different European countries were placed in focus groups and asked about a variety of other product-related topics. In Great Britain, satisfaction levels among retailers were researched via an e-mail survey. The vast majority of retailers were very or extremely satisfied with their relationship with Kuhn on the whole. In the USA, market research was conducted confirming high product quality to be a factor in repeat sales. Thanks to the information provided by the surveys, Kuhn Group was already able to introduce certain measures during the reporting year; others are planned for 2016. The findings from the retailer survey in Great Britain will be taken into account in the strategy definition for 2016 – not only in Great Britain but in other markets as well. During the reporting year, a uniform structure was established for future customer satisfaction surveys. From 2016, all surveys will be conducted using a standardised procedure, uniform guidelines and survey templates.

Every quarter, Bucher Municipal conducted telephone surveys with new customers about their satisfaction with the refuse collection vehicles. In the reporting year, the vast majority of new customers were very satisfied with their vehicles. Almost all would recommend Bucher Municipal. Measures were taken in response to areas where dissatisfaction was expressed. Johnston Sweepers conducted two customer surveys in 2015 about service provision. These showed continuous improvement in satisfaction levels compared with the results of the previous year's surveys, confirming the success of measures taken in response to these. A satisfaction survey was carried out in the spring among retailers in the winter maintenance equipment business, with successful results. A questionnaire for end customers in the winter maintenance equipment business is planned for 2016.

Bucher Hydraulics had not previously carried out any customer satisfaction surveys. In the reporting year, Bucher Hydraulics launched its new slogan: "Smart Solutions – Superior Support". Although the means of assessment and manner of measurement have yet to be conclusively defined, the customer pledge contained in the slogan is to be periodically measured in the future. In the reporting year, use was once again made of the ratings given by key customers in their assessments as suppliers and the results of their audits for evaluating customer satisfaction.

(G4-PR5)

The last comprehensive customer survey carried out by Bucher Emhart Glass was in 2013. Their global quality management system does, however, cover all customer complaints and ensures prompt corrective measures. Data is analysed for trends and used to implement improvements.

Bucher Specials companies did not conduct any customer surveys during the reporting year. Surveys are planned for 2016.

Customer health and safety (DMA / G4-PR1) All products from Group companies must meet a high standard regarding the safety and health of the user. Relevant safety criteria are taken into account from the development phase through to application by the customer, and final disposal of machinery, vehicles or other products. Depending on the legal requirements covering a product, it undergoes a process either of self-certification or certification by test centres run or appointed by the government. All products made by Group companies have descriptions and instructions pertaining to their safe and legal use. These conform to the relevant applicable legal requirements governing product information and operating manuals. Certification of various production sites of the Group's divisions to OHSAS-18001 (see page 21) not only increases the level of health and safety at work but also has positive implications for product safety and customer health.

At Kuhn Group in Europe, safety criteria in the area of research and development are met through compliance with EU directive 2006/42/EC and the relevant harmonised standards associated with it. Kuhn Group's other production plants outside Europe use a similar process of risk assessment and prevention in their research and development departments. Depending on the product, additional safety regulations (such as road traffic regulations) are taken into consideration during the development process. For the first time, the ISO-25119 standard placed clear and specific requirements on the farm machinery industry, its development processes and the products themselves. Kuhn Group began to implement ISO-25119 during the reporting year and will continue to do so in the future.

The sweepers manufactured by Bucher Municipal for sale in Europe come under the END13019:2008 standard as far as health and safety are concerned. This standard is currently undergoing revision and Bucher Municipal has an active role in the associated EU working group. After receiving delivery of a sweeper, Bucher Municipal's customers are offered driver training and other courses (including safety-related training). In Italy, many customers deferred orders for the replacement of winter maintenance equipment on economic grounds. Therefore, in order to guarantee product safety, the owners of older models were offered a service pack to ensure compliance with current safety standards.

The products made by Bucher Hydraulics are developed in concordance with customer requirements and the comprehensive, strict legal safety standards governing the end products in which the hydraulic components are used (e.g. lifts and mobile cranes). Customers give their approval to major components before large-scale production starts up in the factory. Furthermore, all standard products made by Bucher Hydraulics are tested to ensure compliance with safety standards before they leave the plant (100% all products tested).

(G4-PR1)

Bucher Unipektin, which belongs to Bucher Specials, analysed the risks around its press and ultrafiltration systems product range and the handling of hazardous goods, and at the same time reviewed the area of customer health and safety.

Environmental impact of product use (DMA/G4-EN27) Long service life and high efficiency are important qualities of the products offered by the Bucher Group. A total of CHF 96 million was invested by the Group's companies in 2015 in renewing and adding to the products and services offered (2014: CHF 102 million). Here are some specific examples of energy-efficient products and the improvement of product ecology by the Group's companies in the reporting year:

Kuhn Group added a new high-capacity model to its series of large-volume straw blowers and multi-purpose feeders. It enables even large farms to provide comfortable straw bedding for their animals, and results in the production of stable manure instead of liquid manure, which is therefore much more environmentally friendly. The ECO Pilot option for Kuhn Group's hedge and grass cutters allows the tractor unit to run at an optimised engine speed, reducing fuel consumption by 5% to 10%. New booms for field sprayers are being produced with 10% less aluminium. A new round baler makes film wrapping possible, instead of the common current practice of combining net binding and film wrapping. This facilitates the disposal of the binding/wrapping materials, improves silage quality and reduces feed waste by 7.5%. The new round baler models with fixed or variable chambers produce bales which are 10% more compressed, thus reducing the quantity of wrapping material by 10% and allowing for more efficient handling and transportation of the bales. A new loading system for bale wrappers means that bales can be loaded while driving, reducing the fuel consumption and running costs of the tractor unit. A newly introduced monitoring system for muck spreaders with a GPS position-finding system and mapping facility enables accurate spreading and so cuts down on overapplication of manure. Two fertiliser spreaders developed for the South American market are now equipped with the high-precision AXIS technology produced by partner company Rauch, which lowers the coefficient of variation to less than 12.5% and thereby significantly reduces the amount of fertiliser used. A spreading width of 40 metres generates a 33% reduction in fuel consumption compared with the competition, as well as greater yields thanks to the reduced number of passes over the field and resultant track marks. The same savings are achieved by a new field sprayer for South America, thanks to an aluminium boom with a 40-metre span.

Bucher Municipal Energy consumption and noise emissions are key factors in the development of products by Bucher Municipal. In the reporting year, the ONE Electra model was the first fully electric spreader on the market anywhere in the world (see pages 13 and 14). Work also continued on the development of a road sweeper with fully electric drive. In the reporting year the feasibility study on behalf of the European Space Agency (ESA) for a satellite-supported steering system for winter maintenance vehicles was successfully completed. The ESA has now commissioned the development of a prototype which is to be tested next winter in Sweden, Norway, Austria and Italy. The system aims to improve safety in addition to reducing environmental impact through increased efficiency. A refuse collection vehicle launched at the end of 2015 features an innovative monitoring system which allows for permanent active monitoring of the activity of the hydraulic press, making it possible to reduce energy consumption, emissions and noise pollution.

(G4-EN27)

Bucher Hydraulics The components produced by Bucher Hydraulics also contribute to the energy efficiency of customers' machinery. For example, it was possible to reduce the fuel consumption of a crane newly developed by a renowned customer by around 10%, thanks to new valve solutions from Bucher Hydraulics.

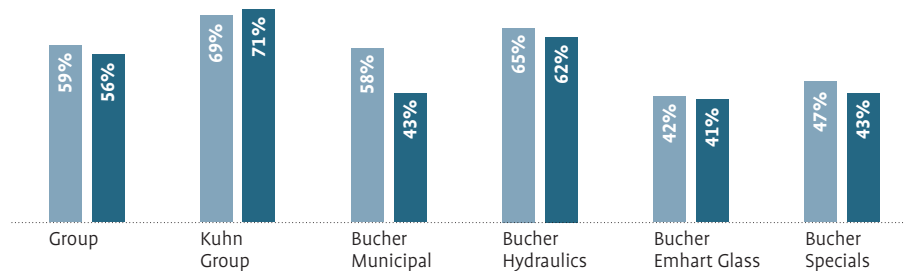
Bucher Emhart Glass A glass-forming process with maximum stability results in high efficiency and low wastage in the manufacture of glass containers. In this area, Bucher Emhart Glass focused on developing further systems to monitor and control the complete pre-forming process for glass containers. These new automated solutions help increase efficiency by 1–2%, resulting in substantial energy savings.

Bucher Specials In 2014, the Bucher Specials company Bucher Unipektin was able to reduce the energy consumption of the press for dewatering sewage by more than 30% through the application of a new hydraulic design. This newly developed concept was introduced into all Bucher Unipektin product models during the reporting year.

Description of the supply chain (G4-12/G4-13) Bucher Industries does not have any formal group-wide guidelines covering the selection of suppliers. In 2015, the Group's production sites purchased an average of 56% of their materials and services from local suppliers (2014: 59%). When choosing suppliers, Bucher Industries looks for quality, competence and reliability as well as cost optimisation. Local suppliers are preferred where possible. Bucher practises active supply chain management aimed at building long-term relationships: even when times are hard, the Group makes every effort not to cut orders to its suppliers entirely. The notion of fair competition is set out in the Code of Conduct (see <http://www.bucherindustries.com/en/investor-relations/corporate-governance>).

Proportion of total cost of materials and services accounted for by local suppliers

2014 2015



Data source: Cost of materials and services of the 33 most important production sites

(G4-12/G4-13)

Kuhn Group has a group-wide standardised procurement process which specifies the selection criteria and procedure for purchasing materials and services. In the reporting year, Kuhn Group responded to the tense situation among suppliers by allocating specialist engineers to help them increase the efficiency of their processes. In addition, audits were again carried out among suppliers; these also included checks relating to safety at work and the environment. Overall in 2015, Kuhn Group purchased materials and services from around 3 600 suppliers. In terms of purchase volume, the proportion of local suppliers used by Kuhn Group was 71%.

Bucher Municipal The production sites of Bucher Municipal are responsible for their own suppliers, but are supported by a central purchasing department in the division with regard to a range of raw materials and large-scale expenditure items. The division purchased materials and services from some 2 800 suppliers in 2015. The proportion of local suppliers in relation to purchase volume was 43%.

Bucher Hydraulics works with around 700 suppliers. Although each competence centre within the division is responsible for its own supplier base, the number of suppliers serving more than one production site is going up every year. Local suppliers accounted for an average of 62% of the purchasing volume in the reporting year. The sharp increase in the value of the Swiss franc in the reporting year required the Swiss companies to analyse their purchasing volumes and relationships with suppliers.

Bucher Emhart Glass introduced a group-wide purchasing department in the reporting year: the purchasing department links up the decentralised purchasing functions and establishes the purchasing process, the relevant procedures and the basic direction for the purchasing department. Functional teams are responsible for individual areas. Overall, Bucher Emhart Glass made purchases from around 330 suppliers in 2015, with 41% of the purchase volume coming from local suppliers.

Bucher Specials Bucher Vaslin drew its entire purchasing volume from suppliers from Europe. Bucher Vaslin works with a small number of suppliers for its raw materials; they are selected and monitored using a specific risk management system. Purchases by Bucher Unipektin are made from around 500 suppliers and contain very few raw materials indeed, being mainly finished parts, components, machinery and commodities. Bucher Landtechnik is a company trading in tractors and agricultural machinery with a focus on the Swiss market. All products are purchased from three European manufacturers. In the reporting year, Jetter worked with around 900 suppliers. The vast majority of these come from Germany and Switzerland. For the Bucher Specials division as a whole, the share of local suppliers in the purchase volume came to 43%.

Awards

Kuhn Group products won the following awards in 2015:

- The ESPRO seed drill won “Machine of the year” in the seeding category at the SIMA exhibition in Paris.
- The newly developed SW 4014 square bale wrapper received a number of accolades: a silver medal at Agritechnica in Germany; the “Silver Ear” at Agribex in Belgium; “Outstanding innovation” from AE50 in the USA; and a silver medal at Agroteknikk in Norway.
- The newly developed i-BIO+ baler-wrapper picked up two awards: a gold medal at Agra in Slovenia and a silver medal at Agroteknikk in Norway.
- The FC 3160 R disc mower conditioner was recognised by AE50 as one of the most innovative products.

In 2015 Kuhn Group also received the following awards:

- Kuhn North America received the gold retailer satisfaction award from the National Retailer Federation in the USA.
- Kuhn Brazil received a regional reward in recognition of its services as an employer for people with disabilities.

Johnston Sweepers in Great Britain, which is part of the Bucher Municipals division, received the Excel Environmental Excellence Award in Scotland and the Toast of Surrey Apprenticeship Scheme of the Year Award in 2015. The Excel Environmental Excellence Award is awarded by the Scottish government to recognise suppliers who stand out for their sustainable manufacturing processes and environmentally friendly products. Johnston Sweepers won praise for its environmentally friendly production plant in Surrey, England, and for its C201 compact sweeper, which has the lowest fuel consumption figures in its product category. The jury of the Toast of Surrey Apprenticeship Scheme of the Year Award was won over by the structure and extent of the apprenticeship programme established there and by the company-run welding school at the production plant in Surrey, England.

Employees

General information (G4-10) The Group overall employed a workforce of 11 072 employees (FTE) at the end of the reporting year. This was 4% down on the previous year, particularly as a result of the reduction in temporary employees. The regional structure of employees reveals the extent of the internationalisation of the Group's business: around 63% of Group employees work in Europe (including Switzerland), 22% in North and South America, 13% in Asia and 2% in other continents.

Group: general information about employees (FTE)

	Change in		
	2015	2014	%
Number of employees			
Permanent	9 888	10 188	- 2.9%
Temporary	1 184	1 366	- 13.3%
Total number of employees	11 072	11 554	- 4.2%
Regional structure			
Switzerland	968	1 015	- 4.6%
Europe	5 967	6 049	- 1.4%
Asia	1 396	1 417	- 1.5%
America	2 490	2 821	- 11.7%
Other	251	252	- 0.4%
Total number of employees	11 072	11 554	- 4.2%

Data source: All employees of the Group as per consolidation in the accounts in the Annual Report 2015. Temporary employees also include trainees. In 2015 there were 263 places for trainees (in FTE); in 2014 there were 293.

In the 33 most important production sites the workforce developed more stably. At the end of 2015 there was a headcount of 9 354 employees, only 2% fewer than in the previous year. The proportion of employees on temporary contracts fell to 3.3%. The ratio of part-time employees remained roughly unchanged at about 4%. The proportion of female employees averaged out at 13.6% across the production sites. In Switzerland and Asia the proportion was significantly higher; in the other European countries and on other continents the proportion of female employees was below that average.

Most important production sites: general information about employees (headcount) (G4-10/G4-11)

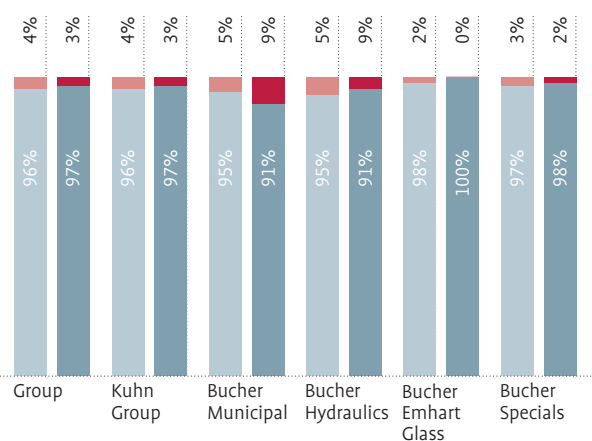
	Female	Male	2015	2014	Change in %
Number of employees					
Permanent	n.a.	n.a.	9 046	9 173	–1.4%
Temporary	n.a.	n.a.	308	367	–16.1%
Total employees (head count)	1 271	8 083	9 354	9 540	–1.9%
Part-time	n.a.	n.a.	366	384	–4.7%
Percentage part-time	n.a.	n.a.	3.9%	4.0%	–2.5%
Regional structure					
Switzerland	130	663	793	813	–2.5%
Europe	598	4 401	4 999	4 952	0.9%
Asia	202	938	1 140	1 164	–2.1%
America	329	1 967	2 296	2 480	–7.4%
Other	12	114	126	131	–3.8%
Total employees (head count)	1 271	8 083	9 354	9 540	–1.9%
Employees with collective agreement	n.a.	n.a.	4 887		
Percentage with collective agreement	n.a.	n.a.	52.2%		

Data source: employees at the 33 most important production sites; trainees not included.

By contract type

■ Permanent ■ Temporary

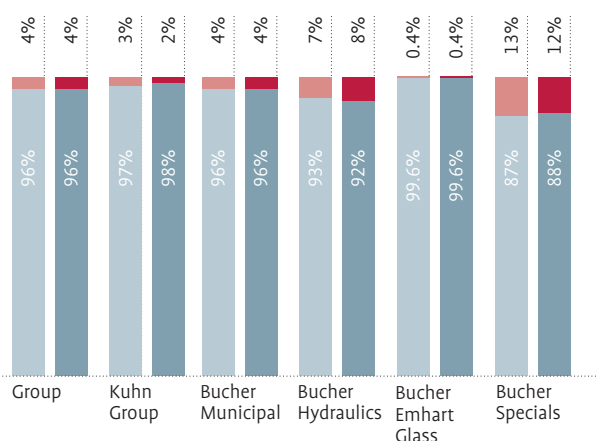
2014 2015



By employment type

■ Full-time ■ Part-time

2014 2015



Ability to attract and retain diverse, well qualified employees (DMA/G4-LA12) The challenge of being a leading technology company and the high technological, commercial and environmental demands placed on the machinery and plant developed and produced by Bucher Industries could not be met without the efforts of a wide range of well qualified employees. Accordingly, the Group aims to provide attractive jobs with targeted training opportunities for its workforce of committed and talented employees.

Professional qualifications and diversity are criteria which are taken into consideration both in the succession planning process and when selecting members for the Board of Directors and Group management. From the fourth quarter of 2016, Christina Johansson will take over as the new CFO, becoming the first female Group management member. The average age of the Group management members will fall significantly in the wake of a number of replacements.

As in previous years, the age profile of staff at the main production plants of all divisions showed an increase in the number of employees aged over 50. By contrast, there was a fall in the number of employees under 30. The distribution of staff by gender at the production plants remained relatively stable. The number of women in senior management is below average and there is an above-average number of employees over the age of 50.

Diversity of personnel (percentage share)

	Employees at the most important production sites	Management	Group management	Board of Directors
2015				
Female	13.6%	7.9%	0.0%	14.3%
Male	86.4%	92.1%	100.0%	85.7%
Under 30	19.7%	0.0%	0.0%	0.0%
30-50	53.9%	34.2%	28.6%	28.6%
Over 50	26.4%	65.8%	71.4%	71.4%
2014				
Female	13.8%	n.a.	0.0%	14.3%
Male	86.2%	n.a.	100.0%	85.7%
Under 30	21.0%	n.a.	0.0%	0.0%
30-50	54.3%	n.a.	28.6%	28.6%
Over 50	24.7%	n.a.	71.4%	71.4%

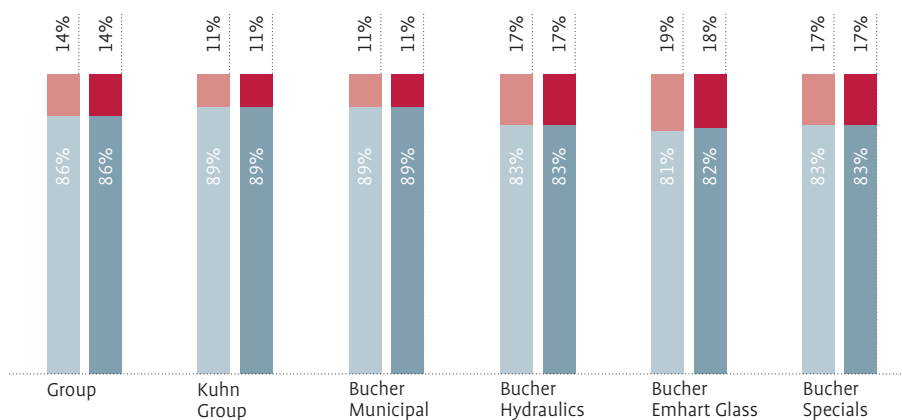
Data source: employees at the 33 most important production sites, not including trainees, and department and Group management and Board of Directors of the whole Group. It was not possible to retrospectively retrieve the data for management for 2014.

(G4-LA12)

By gender

■ Male ■ Female

2014 2015



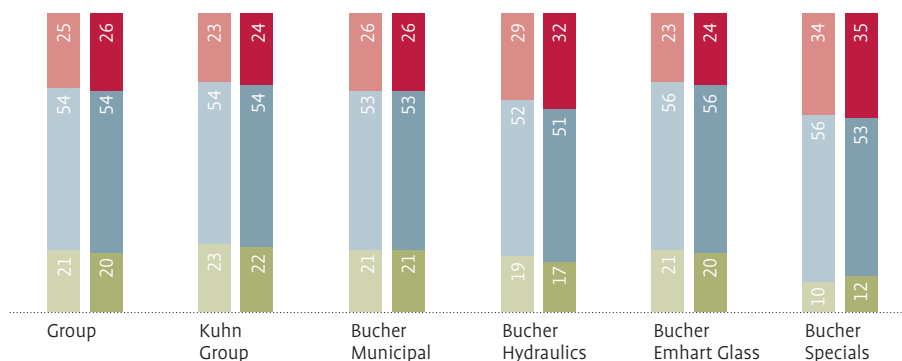
Data source: employees at the 33 most important production sites; trainees not included.

By age group

■ Under 30 ■ 30 to 50 ■ Over 50

2014 2015

in %



Data source: employees at the 33 most important production sites; trainees not included.

(DMA/G4-LA12)

Kuhn Group The slow rise of the average age of employees at Kuhn Group is seen both as a challenge and as part of the process of passing on knowledge and skills from the older staff to the younger ones. In certain areas, such as electronic engineering, there is the additional challenge of attracting the skilled workers required to achieve the strategic targets which have been set. In Brazil, an internal talent pool was established, which it is hoped will help prevent shortages. The division is also a regular participant at recruitment fairs, and in 2015 created a special platform for the first time at SIMA, the Paris agricultural machinery exhibition, to attract potential employees. At its headquarters in Saverne, Kuhn takes on around 150 trainees and 40 university graduates a year. Kuhn Group is using appropriate communication measures to promote its reputation as an attractive international employer. Current employees are being offered attractive terms of employment and internal and external training and further professional development appropriate to their areas of expertise.

Bucher Municipal Increasing competition for young employees, the shortage of qualified professionals in general and the rising age of the workforce are challenges currently facing Bucher Municipal. These are being tackled through close collaboration with universities and other training institutes and the provision of practically-based training places and internships. In the sweeper business, 2014 saw the reintroduction of apprenticeships in the commercial department. The training programme at Johnston Sweepers received an award in the reporting year (see page 28). From 2017/2018, apprenticeships are also to be offered again in the operational services department.

Bucher Hydraulics Employees with hydraulics expertise are in particularly short supply. The management of Bucher Hydraulics is therefore hoping to effect a reduction in staff turnover. Attractive jobs, competitive remuneration and targeted training measures with a focus on the digital workplace (Industry 4.0) are all intended to help achieve this aim. In a move to promote young talent, Bucher Hydraulics will expand its provision of apprenticeships and training places, especially in Germany. Succession planning will take place at the top two management levels of all production sites worldwide.

Bucher Emhart Glass In the next five to ten years, one of the things Bucher Emhart Glass will be focussing on is succession planning in the management tier. There are different regional challenges affecting general staff recruitment: in Sweden the pool of qualified professionals is sufficiently large; in the USA there is an increasing requirement for CNC machinists and software engineers, and Bucher Emhart Glass is offering practical experience for CNC machinists. A pool of candidates was established, specifically targeting software engineers. Malaysia is subject to a noticeable vacuum effect from Singapore, a more attractive employment market; this required improvements to employment terms and career planning to be implemented.

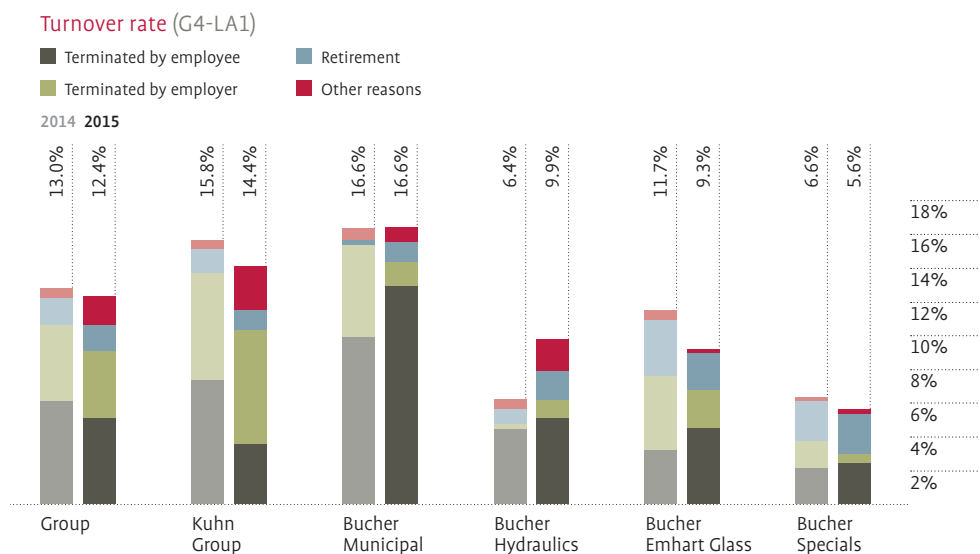
(DMA/G4-LA12)

Bucher Specials Bucher Unipektin has set a target of recruiting well qualified young skilled workers and retaining their services over the long term. Bucher Unipektin is therefore committed to fostering a collaboration with other Bucher companies within the Group in the areas of personnel marketing and development. Jetter faces competition for qualified engineers from renowned international company groups, though it is able to cover its medium- and long-term requirements. It is helped in this by its image as an attractive employer, its collaborations with universities and its provision of apprenticeships and internships.

Employee turnover (G4 – LA1)

	Number of leavers	Turnover rate	Number of leavers	Turnover rate
	2015		2014	
Female	189	14.9%	n.a.	n.a.
Male	941	11.6%	n.a.	n.a.
Total	1 130	12.4%	1 197	13.0%
Under 30	432	23.4%	412	20.6%
30-50	446	8.8%	461	8.9%
Over 50	252	10.1%	324	13.7%
Total	1 130	12.4%	1 197	13.0%
Switzerland	78	10.0%	64	8.1%
Europe	406	8.5%	403	8.7%
Asia	103	9.0%	110	9.5%
America	531	23.2%	609	24.9%
Other	12	10.6%	11	9.3%
Total	1 130	12.4%	1 197	13.0%

Data source: employees at the 33 most important production sites; trainees not included.



The turnover rate at the most important production sites fell to 12.4% in the reporting year (2014: 13.0%). The turnover rate among female employees and employees under 30 was significantly above average. In regional terms, the turnover rate was highest at the production sites in North and South America, as was the case in the previous year. In all other continents the turnover rate was lower than the average. The dynamics and extent of turnover varies greatly among the individual divisions. The highest turnover during the reporting year was at Bucher Municipal. In 2014 this was attributable to the consolidation measures at Johnston Sweepers, it rose significantly in 2015 as a result of cost-saving measures.

Initial training and continuing professional education (DMA/G4-LA9) At Bucher Industries, the concept of lifelong learning is a natural and essential prerequisite to long-term staff development. Internal and external professional education at all levels of the Group are important success factors. At Group level, Bucher Industries has been operating a development scheme targeted at managers as part of the Bucher management training programme since 2004. Promising upcoming managers with a successful track record are recommended at divisional level for courses of four modules providing an insight into the tasks and roles involved in the Group. Key topics are the Group's structure and responsibilities, strategic management, financial and risk management, processes and instruments as well as leadership skills and human resource management. Since 2004, over a hundred managers have attended these courses, which are led by the CEO. The courses provide an opportunity to get to know the chairman of the board of directors and members of Group management, and to reinforce the participants' sense of affiliation to the company. Then there are group-wide standardised online training courses dealing with aspects of compliance, such as combating corruption. In the reporting year these included the refresher course on the Code of Conduct, which had been developed the previous year. An additional online training course on the subject of cyber security is in the pipeline.

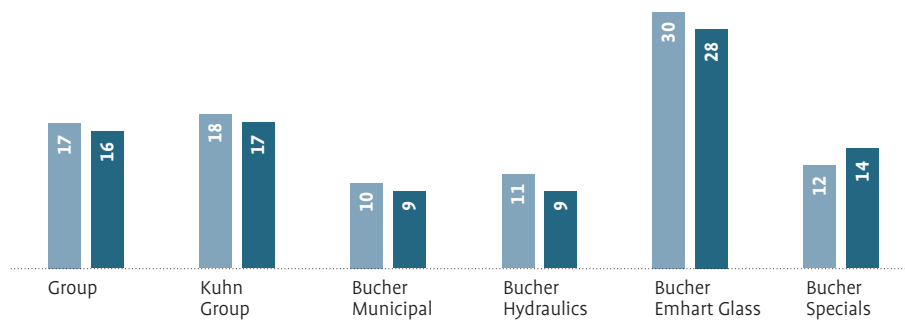
(G4-LA9)

Continuing professional education is a particularly important issue at the level of the individual Group companies, not least as a persuasive factor in the challenging search for qualified skilled employees. Induction days for new staff help them gain an insight into the corporate culture and approaches to management as soon as they take up their positions. The portfolio of opportunities for ongoing professional development within the company is also wide-ranging. Involvement in professional training is actively supported. Key topic areas are: technology, IT and software, management and leadership, compliance, health and safety, languages, project management and communication. Technical skills are in particularly high demand. The programme also includes courses in lean management and quality management with ISO certification and Six Sigma methods. Subjects covered in IT include CAD and ERP systems. The area of leadership and management contains internal and external seminars on subjects such as conflict management and self-management, team building, change management and leadership skills, as well as full courses of study leading to qualifications such as an MBA.

The average number of hours of internal and external training and education at the 33 most important production sites during the reporting year was 16 hours per employee (2014: 17 hours). Bucher Specials was the only division in which the number of hours increased in comparison to the previous year; the other divisions all saw a fall in the figure. Many Bucher Industries Group companies provide placements for apprentices, interns and trainees. In the reporting year, the Group had 263 apprenticeships (full-time equivalent / 2014: 293).

Average no. of hours training and education (internal and external) per employee

2014 2015



Data source: employees at the 33 most important production sites

Resource efficiency in the production process

Recognising the challenges posed by climate change and the rising cost of energy and materials, Bucher Industries has made it an important target to reduce the consumption of energy and materials. In the reporting year, energy consumption at Group level fell by 3%, while there was a 4% decrease in sales after currency adjustments. This shows a slight increase in the amount of energy used in production as measured against sales, in spite of the energy-saving measures in place at various production locations. The cost of the Group's energy consumption fell by CHF 4 million compared with the previous year. Apart from reduced consumption, a key factor in this was the lower price of oil on the world market. The 1% decrease in CO₂ emissions was less pronounced than the fall in energy consumption. This was attributable to the increase in energy requirement at production sites in countries with a CO₂-intensive electricity mix.

In the reporting year (as in 2014), there were no incidents involving releases of chemicals or emissions and no pending legal proceedings involving significant environmental incidents. In the reporting year (as in 2014) there were no significant fines or other (i.e. non-monetary) sanctions for environmental issues. The Group invests continuously in the maintenance and modernisation of its production plants. The volume of this investment in the reporting year was CHF 75 million (2014: CHF 112 million).

Bucher Group environmental indicators

	2015	2014	Change
Energy consumption in MWh	347 043	358 022	– 3%
Electricity	142 344	146 720	– 3%
District heating	10 304	11 362	– 9%
Heating fuels Total	164 854	170 290	– 3%
Heating oil	7 489	8 386	
Natural gas	146 215	148 204	
LPG/propane	10 176	12 711	
Wood	690	664	
Diesel (emergency power)	285	325	
Motor fuels Total	29 541	29 650	
Diesel	15 971	16 148	
Petrol	8 046	8 003	
LPG/propane	4 941	4 904	
Biodiesel	15	25	
Bioethanol	568	569	
CO₂ emissions in tCO₂e Total	85 898	86 769	– 1% ¹⁾
Scope 1 Total	43 249	44 369	– 3% ²⁾
Heating fuels	34 676	35 908	
Motor fuels	7 444	7 472	
Volatile gases (e.g. refrigerants)	1 004	921	
Process emissions (e.g. welding processes)	125	67	
Scope 2 Total	42 648	42 400	1% ³⁾
Electricity	40 452	39 966	
District heating	2 196	2 434	
Biogenic CO₂ emissions	432	424	
Sold energy to third parties	– 691	– 689	
Water consumption in m³ Total	374 204	407 154	– 8%
Drinking water	202 534	213 089	
Process water	89 829	93 192	
Collected rainwater	81 842	100 874	
Waste water in m³ Total	364 350	396 397	– 8%
Treatment plant	362 636	394 683	
Seepage water	622	873	
Release into water bodies	510	435	
External processing	582	407	

Data source: consumption of resources by the 33 most important production sites

¹⁾ Greenhouse gas inventory: calculated in accordance with the Greenhouse Gas Protocol and ISO standard 14064.

As part of the change in reporting to GRI G4, more up-to-date emissions factors and the latest Global Warming Potentials (GWPs) from the fifth IPCC report (AR5) were used. The figures for 2014 therefore deviate from those reported in the previous year. At Kuhn Group there was also the addition of a new site.

²⁾ Scope 1: emissions from direct energy usage and non-energetic processes

³⁾ Scope 2: emissions from indirect energy usage. The greenhouse gas emissions associated with electricity consumption are reported in line with a location-based approach in accordance with the Greenhouse Gas Protocol scope 2 and are also approximately valid for the market-based approach.

Environmental indicators – Divisions

Kuhn Group		2015	2014	Change	Bucher Municipal		2015	2014	Change
Energy consumption in MWh	Total	195 989	207 078	– 5%	Total MWh	24 965	25 351	– 2%	
Electricity		77 569	81 720	– 5%		9 043	9 498	– 5%	
District heating		–	–			–	–		
Heating fuels		98 409	105 008	– 6%		11 228	11 117	1%	
Motor fuels		20 011	20 350	– 2%		4 694	4 736	– 1%	
CO ₂ emissions in tCO ₂ e	Total	40 522	41 919	– 3%	Total tCO ₂ e	7 215	7 553	– 4%	
Scope 1		25 560	27 019	– 5%		3 914	3 943	– 1%	
Scope 2		14 962	14 900			3 301	3 610	– 9%	
Biogenic CO ₂ emissions		149	152			166	193		
Sold energy to third parties		–	–			– 405	– 488		
Water consumption in m ³	Total	216 044	236 142	– 9% ¹⁾	Total m ³	31 441	46 082	– 32% ³⁾	
Waste water in m ³	Total	209 434	235 594	– 11% ¹⁾	Total m ³	30 480	45 669	– 33% ³⁾	
Bucher Hydraulics		2015	2014	Change	Bucher Emhart Glass		2015	2014	Change
Energy consumption in MWh	Total	42 766	41 181	4%	Total MWh	71 762	72 833	– 1%	
Electricity		28 538	28 120	1%		23 142	23 359	– 1%	
District heating		438	427	3%		9 866	10 935	– 10% ⁵⁾	
Heating fuels		12 069	11 004	10% ³⁾		38 259	38 023	1%	
Motor fuels		1 721	1 630	6%		496	516	– 4%	
CO ₂ emissions in tCO ₂ e	Total	15 899	14 935	6%	Total tCO ₂ e	19 727	19 869	– 1% ⁵⁾	
Scope 1		3 508	3 204	9%		8 323	8 282		
Scope 2		12 390	11 731	6%		11 404	11 587	– 2%	
Biogenic CO ₂ emissions		–	–			–	–		
Sold energy to third parties		–	–			–	–		
Water consumption in m ³	Total	29 889	27 629	8%	Total m ³	89 612	90 688	– 1%	
Waste water in m ³	Total	29 312	20 123	46% ⁴⁾	Total m ³	87 905	88 399	– 1%	
Bucher Specials		2015	2014	Change	Data source: consumption of resources by the 33 most important production sites ¹⁾ Kuhn Group: decrease primarily due to lower amounts of rainwater. ²⁾ Bucher Municipal: decrease in amount of water due to repair of leaking pipe from previous year and lower production activity at certain locations ³⁾ Bucher Hydraulics: increase in heating requirements primarily due to increased production and expansion into larger buildings in North America ⁴⁾ Bucher Hydraulics: increase in waste water quantities due to change to more accurate meter readings by local authority ⁵⁾ Bucher Emhart Glass: decrease in heating requirements because of implementation of efficiency measures				
Energy consumption in MWh	Total	11 562	11 580						
Electricity		4 053	4 023	1%					
District heating		–	–						
Heating fuels		4 890	5 138	– 5%					
Motor fuels		2 619	2 419	8%					
CO ₂ emissions in tCO ₂ e	Total	2 535	2 492	2%					
Scope 1		1 944	1 920	1%					
Scope 2		591	572	3%					
Biogenic CO ₂ emissions		117	79						
Sold energy to third parties		– 286	– 201						
Water consumption in m ³	Total	7 218	6 612	9%					
Waste water in m ³	Total	7 218	6 612	9%					

Data source: consumption of resources by the 33 most important production sites

¹⁾ Kuhn Group: decrease primarily due to lower amounts of rainwater.

²⁾ Bucher Municipal: decrease in amount of water due to repair of leaking pipe from previous year and lower production activity at certain locations

³⁾ Bucher Hydraulics: increase in heating requirements primarily due to increased production and expansion into larger buildings in North America

⁴⁾ Bucher Hydraulics: increase in waste water quantities due to change to more accurate meter readings by local authority

⁵⁾ Bucher Emhart Glass: decrease in heating requirements because of implementation of efficiency measures

Society

Compliance with laws (G4-56/DMA/G4-SO7/G4-SO8) An important prerequisite for sustainable corporate development is compliance with the laws of all the markets in which Bucher Industries is active. The Code of Conduct, which was introduced in 2009 and applies across the whole Group, forms the basis for an appropriate corporate culture (see <http://www.bucherindustries.com/en/investor-relations/corporate-governance>). All (current and new) employees receive a copy of the Code of Conduct. Those who have company e-mail addresses are given online training about it; in the reporting year there was a newly developed refresher course, for example. All the Group guidelines on the subject of compliance are based on the Code of Conduct.

At Group level, in the divisions and locally, compliance officers are on hand to help implement the Code of Conduct and the guidelines. They report regularly to Group management, and are also contact persons for management and personnel who have queries on compliance and related matters. The monitoring and implementation of compliance is checked by internal audit.

In the reporting year, the guideline on collaboration with intermediary dealers was updated (see page 41). Group management then passed the guideline on questions of right of competition, which had been prepared the year before. The legal complexity of the issue requires the guideline to be phased in, a process which was begun in 2015. Each phase of the introduction will be accompanied by face-to-face training facilitated by external experts; the first sessions have already taken place. The introduction of the guideline and the training will continue in 2016. In 2016 the first internal newsletter will be published to address the issue of the group-wide organisation of compliance.

Two meetings will take place each year to further the training of the compliance officers: one for all the divisional representatives and another, regional, meeting for all regional compliance officers, which took place in Asia during the reporting year. The compliance officers will also receive special further training courses and they will have access to specially extended documentation on various compliance-related issues.

In 2015 (as in 2014), no legal actions were pending for anti-competitive behaviour, anti-trust and monopoly practices. Equally (as in 2014), no significant fines or non-monetary sanctions for breaches of legal regulations were imposed on Bucher Industries during the reporting period.

Combating corruption (DMA/G4-SO4/G4-SO5) Overriding principles on the issue of corruption and combating corruption are set out in the Group's Code of Conduct, introduced in 2009 (see <http://www.bucherindustries.com/en/investor-relations/corporate-governance>). Two group-wide directives provide further specific detail: the anti-corruption guideline and the guideline on collaboration with intermediaries.

The anti-corruption guideline addresses the risks relevant to all management roles in the Group and all other employees in exposed functional areas. These include members of Group management, division management and the management boards of subsidiaries; managers in purchasing, logistics, sales, marketing, finance and controlling, HR and legal departments; staff in all sales, purchasing and customer service departments; controlling and finance personnel with internal or external signatory authorisation and all compliance officers. The guideline was distributed to employees during the process of its introduction. All employees with company email addresses have completed an online training session on the subject of anti-corruption. Participation in the training is compulsory and is monitored. The guideline and online training are also made available to new employees in the same way.

The guideline on collaboration with intermediaries aims to prevent corruption in this area. Before collaboration with a new intermediary can be commenced, a specific examination and risk assessment takes place, and an internal approval procedure must be complied with. This guideline was updated during the reporting year. The group-wide introduction of the amended guideline was started in the reporting year and is due to be completed in 2016. The introduction will be checked by means of an internal audit.

If an employee observes anything suspicious relating to corruption, he or she may turn to the compliance officer of the Group, the division or the Group company or any manager in a position senior to him or her, up to the Group CEO. It is not necessary to follow the line management chain in such circumstances.

In the period under review (as in 2014) no corruption-related proceedings were pending.

Alert employees were able to stop some isolated attempts at corruption by suppliers group-wide. As a follow-up measure, a directive concerning the acceptance of gifts from suppliers was introduced. In a few cases, suppliers and employees received written warnings.

Memberships and initiatives (G4-15/G4-16) Bucher Industries or one or more Group companies are members of the following national and international interest groups:

- SwissHoldings (Bucher Industries)
- Swissmem (Bucher Industries and various Group companies)
- Schweizerischer Arbeitgeberverband (Bucher Industries)
- American Chamber of Commerce (Bucher Industries)
- Swiss Chinese Chamber of Commerce (Bucher Industries)
- Agricultural Industry Electronics Foundation (Kuhn Group)
- AXEMA, Union des Industriels de l'Agroéquipement (Kuhn France, Bucher Vaslin)
- Verband Deutscher Maschinen- und Anlagenbau (Kuhn Europe, Bucher Hydraulics, Jetter)
- CEMA (Kuhn Europa)
- Association of Equipment Manufacturers (Kuhn USA)
- Associação Brasileira da Indústria de Máquinas e Equipamentos (Kuhn Brazil)
- National Association of Manufacturers (Kuhn USA)
- Union des Industries et des Métiers de la Métallurgie (Kuhn France)
- ISO working groups (various Kuhn Group companies)
- EUnited Association (Johnston Sweepers, Bucher Municipal Sweepers, Bucher Municipal Winter)
- Chartered Institute of Waste Management (Johnston Sweepers, UK)
- Keep Britain Tidy (Johnston Sweepers, UK)
- Institute of Customer Service (Johnston Sweepers, UK)
- European Normalisation Committee (Bucher Municipal Winter)
- Assofluid (Bucher Hydraulics, Italy)
- National Fire Protection Association (Bucher Hydraulics, USA)
- International Partners in Glass Research (Bucher Emhart Glass)
- Food Packaging Forum (Bucher Emhart Glass)
- Federation of Malaysian Manufacturers (Bucher Emhart Glass, Malaysia)
- Association of Swedish Engineering Industries (Bucher Emhart Glass, Sweden)
- France AgriMer (Bucher Vaslin)
- Vignerons indépendants de France (Bucher Vaslin)
- OSEC Switzerland Global Enterprise (Bucher Unipektin)
- European Fruit Juice Association (Bucher Unipektin)
- International Fruit and Vegetable Juice Association (Bucher Unipektin)
- Schweizerischer Verband der Direktverkaufsfirmer (Bucher Unipektin)
- Verband der Agrargewerblichen Wirtschaft (Bucher Unipektin)
- Handelskammer Zürich (Bucher Unipektin)
- Schweizer Obstverband (Bucher Unipektin)
- Technische Kundendienst-Kammer (Bucher Unipektin)
- Ostschweizer Interessengemeinschaft (Bucher Unipektin)
- Schweizerischer Landmaschinenverband (Bucher Landtechnik)
- Schweizerische Interessengemeinschaft der Fabrikanten und Händler von Kommunalmaschinen und Kommunalgeräten (Bucher Landtechnik)

The following charters, principles and initiatives are supported/maintained by Bucher Industries, or one or more Group companies:

- Global Reporting Initiative (Bucher Industries)
- Authorized Economic Operator (various Kuhn Group subsidiaries)
- Blue Competence, Germany (Bucher Hydraulics)
- Conflict Minerals Act (Bucher Emhart Glass)
- SUVA Safety Charter (Bucher Unipektin)

(G4-32/G4-33)

GRI Content Index



The GRI content index shows where in the Annual Report 2015 or Sustainability Report 2015 information on the various performance indicators is given. The Bucher Industries Sustainability Report 2015 was submitted to the GRI Content Index Service for checking. GRI confirmed the correctness of the GRI content.

Explicit reference is made (with the comment: "partial information") where an indicator is only partly reported.

The remuneration report, consolidated financial statements and the accounts of the holding company in the Annual Report 2015 were examined by the external auditing company PricewaterhouseCoopers AG (see Annual Report 2015, pages 62, 113 and 120). The Sustainability Report was not subjected to any external examination.

(G4-32)

General standard disclosures

General Standard Disclosures	Page
Strategy and Analysis	
G4-1	Sustainability Report 2015, p. 3
Organisational Profile	
G4-3	Sustainability Report 2015, p. 48
G4-4	Annual Report 2015, p. 10 Sustainability Report 2015, p. 5
G4-5	Annual Report 2015, p. 122
G4-6	Annual Report 2015, p. 110–112, 122–124 Sustainability Report 2015, p. 4
G4-7	Annual Report 2015, p. 44–45
G4-8	Annual Report 2015, p. 10–41
G4-9	Annual Report 2015, inside cover page Sustainability Report 2015, p. 4
G4-10	Sustainability Report 2015, p. 20, 29–30
G4-11	Sustainability Report 2015, p. 30
G4-12	Sustainability Report 2015, p. 26–27
G4-13	Annual Report 2015, p. 84–85 Sustainability Report 2015, p. 26–27
G4-14	Sustainability Report 2015, p. 21
G4-15	Sustainability Report 2015, p. 42
G4-16	Sustainability Report 2015, p. 42

(G4-32)

General Standard Disclosures	Page
Identified Material Aspects and Boundaries	
G4-17	Annual Report 2015, p. 110–112 Sustainability Report 2015, p. 48
G4-18	Sustainability Report 2015, p. 7–9
G4-19	Sustainability Report 2015, p. 8–9, 49
G4-20	Sustainability Report 2015, p. 49
G4-21	Sustainability Report 2015, p. 49
G4-22	Sustainability Report 2015, p. 48
G4-23	Sustainability Report 2015, p. 48
Stakeholder Engagement	
G4-24	Sustainability Report 2015, p. 8–9
G4-25	Sustainability Report 2015, p. 8–9
G4-26	Sustainability Report 2015, p. 8–9, 23
G4-27	Sustainability Report 2015, p. 8–9
Report Profile	
G4-28	Sustainability Report 2015, p. 48
G4-29	Sustainability Report 2015, p. 48
G4-30	Sustainability Report 2015, p. 48
G4-31	Sustainability Report 2015, p. 48
G4-32	Sustainability Report 2015, p. 44–47
G4-33	Sustainability Report 2015, p. 44
Governance	
G4-34	Annual Report 2015, p. 47–49 Sustainability Report 2015, p. 21 Rules of organisation: http://www.bucherindustries.com/en/investor-relations/corporate-governance
Ethics and Integrity	
G4-56	Policies: http://www.bucherindustries.com/en/about-us/mission-vision http://www.bucherindustries.com/en/investor-relations/corporate-governance Sustainability Report 2015, p. 5, 21, 40

(G4-32)

Specific standard disclosures

DMA and Indicators	Page	Omissions
Category: Economic		
Material Aspect: Economic Performance		
G4-DMA	Sustainability Report 2015, p. 21	
G4-EC1	Sustainability Report 2015, p. 22	
Category: Environmental		
Material Aspect: Products and Services		
G4-DMA	Sustainability Report 2015, p. 21, 25	
G4-EN27	Sustainability Report 2015, p. 10, 13, 18, 25–26	
Category: Social		
Sub-Category: Labor Practices and Decent Work		
Material Aspect: Employment		
G4-DMA	Sustainability Report 2015, p. 14, 21, 31, 33–34	
G4-LA1	Sustainability Report 2015, p. 14, 17, 34–35	Partial information: The information is not currently available. Data on new appointments to be collected as of 2016.
Material Aspect: Training and Education		
G4-DMA	Sustainability Report 2015, p. 35	
G4-LA9	Sustainability Report 2015, p. 35–36	
Key Aspect: Diversity and Equal Opportunity		
G4-DMA	Sustainability Report 2015, p. 21, 31, 33–34	
G4-LA12	Sustainability Report 2015, p. 31–34	
Sub-Category: Society		
Material Aspect: Anti-corruption		
G4-DMA	Sustainability Report 2015, p. 41	
G4-SO4	Sustainability Report 2015, p. 41	
G4-SO5	Sustainability Report 2015, p. 41	
Material Aspect: Anti-competition Behavior		
G4-DMA	Sustainability Report 2015, p. 40	
G4-SO7	Sustainability Report 2015, p. 40	
Material Aspect: Compliance		
G4-DMA	Sustainability Report 2015, p. 40	
G4-SO8	Sustainability Report 2015, p. 40	
Sub-Category: Product Responsibility		
Material Aspect: Customer Health and Safety		
G4-DMA	Sustainability Report 2015, p. 24	
G4-PR1	Sustainability Report 2015, p. 18, 24–25	Partial information: The information is not currently available. Quantitative data to be collected in 2016.
Material Aspect: Products and Service Labeling		
G4-DMA	Sustainability Report 2015, p. 23	
G4-PR5	Sustainability Report 2015, p. 23–24	

(G4-3/G4-17/G4-22/G4-23/G4-28/G4-29/G4-30/G4-31)

About this report

The fifth sustainability report from Bucher Industries AG draws on data from the 2014 and 2015 reporting years. A reporting year covers the period from 1 January to 31 December of the relevant year.

Scope of the report For the 2015 reporting year, the data source for the graphic showing the proportion of local suppliers in the overall cost for materials and services (page 26) and all data in the sections on employees (pages 29 to 36) and on efficient use of resources in the production process (pages 37 to 39) was supplemented by a further major production site (Kuhn-Montana Indústria de Máquinas S/A, Brazil) to make a total of 33 production sites in all. In these cases, the data source thereby covers around 80% of Group sales or 90% of Group employees. To ensure comparability of the data, all sustainability key figures for 2014 were restated. All other versions and data refer to the Group as a whole (as per the consolidated financial statements in the Annual Report 2015; for scope of consolidation see pages 110 to 112).

Adjustment of method of data collection/reformulation of information Calculation of the number of employees by type of contract (G4-10) contains only explicitly reported temporary employees. In the previous reporting years personnel bound by instructions such as contract workers, interns, apprentices and trainees were taken into account as well; this is not required by GRI G4. The comparative figures for 2014 were adjusted retrospectively. The greenhouse gas emissions were calculated in accordance with the Greenhouse Gas Protocol and ISO standard 14064. As part of the change in reporting to GRI G4, more up-to-date emissions factors and the latest GWPs from the most recent IPCC AR5 report were used. The figures for 2014 therefore deviate from those reported in the previous year; to ensure comparability of the data, the greenhouse gas inventory used was also applied retrospectively for 2014.

The Bucher Industries sustainability report is published once a year, in June. In 2015, the G4 guidelines of the Global Reporting Initiative (GRI) were applied for the first time in accordance with the “core” reporting option. Up to 2014, the GRI’s G3 Level C guidelines were used. GRI is the world’s leading index. More information can be accessed at www.globalreporting.org.

In the section on specific standard disclosures the 2015 report was limited to the material aspects, as per the GRI G4 guideline. For the breakdown of the material aspects, see page 7. An overview of the material aspects and the report boundaries within and outside the organisation is shown in the table on the following pages. At least one indicator per aspect is used for the report. Aspect not considered to be material aspects were not reported on (with the exception of the data on the environment). The scope of the report is therefore reduced in certain areas. By contrast, reporting in other areas has been extended in line with the requirements of the GRI G4 guideline.

The Bucher Industries sustainability report is published exclusively online in German and English (<http://www.bucherindustries.com/en/about-us/sustainability>).

Vanessa Ölz
Head of Communication
vanessa.oelz@bucherindustries.com
Bucher Management AG
Flughafenstrasse 90
P. O. Box 52
CH-8058 Zurich, Switzerland
www.bucherindustries.com

Material aspects and report boundaries within and outside the organisation (G4-19/G4-20/G4-21)

Material aspect	Indicator	Reference	Report boundaries within the organisation			Report boundaries outside the organisation			
			Company overall	Production sites	Employees	Owners	Customers	Suppliers	Society
Economic value creation for stakeholders	Direct economic value generated and distributed (G4-EC1)	p. 22	X		X	X	X	X	X
Customer satisfaction	Results of customer satisfaction surveys (G4-PR5)	p. 23	X				X		
Customer health and safety	Proportion of categories of product and services whose impact on health and safety are checked (G4-PR1)	p. 24	X	X			X		
Environmental impact of products and services	Scope of measures taken to combat the environmental impact of products and services (G4-EN27)	p. 25	X	X			X		X
Ability to attract and retain diverse, highly qualified employees	Newly appointed staff and employee turnover (GA-LA1)	p. 34	X						
Ability to attract and retain diverse, highly qualified employees	Diversity of personnel (G4-LA12)	p. 31	X		X				
Training and continuing education (including life-long learning)	Annual hours of training per employee (G4-LA9)	p. 35	X		X				
Compliance with laws	Compliance (G4-SO8)	p. 40	X		X				
Compliance with laws	Fair competition (G4-SO7)	p. 40	X	X	X				X
Combating corruption	Information and training on combating corruption (G4-SO4)	p. 41	X	X	X				X
Combating corruption	Confirmed cases of corruption and measures taken (G4-SO5)	p. 41	X	X	X				X

