

Sustainability – a core aspect of INFICON's strategy

This chapter of the Annual Report outlines INFICON's perception and understanding of sustainability and the respective actions taken. It explains the customer-focused approach of INFICON's value proposition and describes the Company's relationships with its stakeholder groups including customers, employees, investors, the hosting communities, its business partners, and suppliers. This chapter also describes general environmental, social as well as governance and leadership related aspects of INFICON's business.

As a global leader in instruments for gas analysis, measurement, and control, INFICON's business model is deeply rooted in its commitment to do business sustainably in economic, environmental and social terms as well as regarding governance and leadership. INFICON's approach to sustainability is comprehensive and holistic. In our business decisions and conduct, we consider economic, environmental and social aspects at both strategic and operational levels. This approach lies at the heart of the Group's long-term strategic orientation, its value creation, market leadership, and thus long-term success and profitable growth. Our emphasis on sustainability provides guidelines for INFICON's customer-oriented innovation management, its global purchasing and production processes, its risk management as well as the conduct of its customer relations. It also is an important factor in terms of employer branding and helps INFICON attract, recruit, and retain the best-suited talents.

Our commercial accomplishments and our solid financial backbone allow INFICON not only to successfully master crises such as the COVID-19 pandemic, disturbances in the international supply chain, and as a new challenge, potential energy shortages. Our commercial and financial performance is also the grounds for our long-term and customer-centered approach to innovation, our state-of-the-art manufacturing capabilities, our strong relations with our workforce, communities, customers, investors and other stakeholders.

INFICON aims at sparingly and sustainably utilizing resources and compensating appropriately for their use, allowing prosperity today and for future generations. This compensation includes reasonable dividends for shareholders, fair payments for our workers and business partners, as well as the disbursement of taxes in the various jurisdictions we operate in. The multidimensional business and stakeholder approach allows INFICON to drive innovation and its long-term business goals ahead while observing high ethical business standards in general, striving for the least possible impact on the environment, and providing for human and ecological health.

We are aware that employees and customers want to know the purpose of a company. When they understand a corporation's approach to ESG, and know and share its goals, employees see their work as a meaningful contribution to the company, the society, and the planet. This increases motivation, loyalty, and performance. Suppliers and customers value their relationship with a company also more when they can relate to the purpose of a company.

INFICON thus assumes responsibility for its actions with a view to the economy, nature, and the people. In 2022, the INFICON Management team discussed the Company's DNA and INFICON's identity statement at meetings and workshops at various management and employee levels to promote a shared understanding. We are implementing our defined aims and ambitions, as well as methods and measures of how we want to contribute to the common goals of humankind.

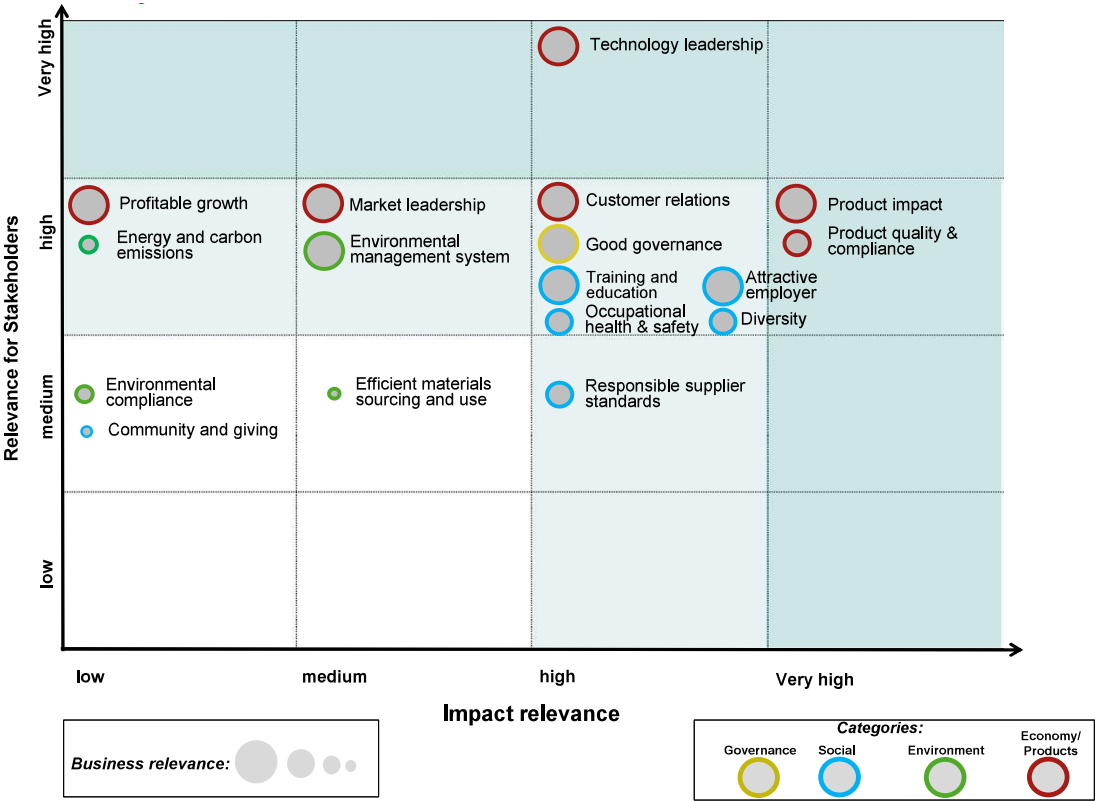
INFICON's identity statement focusses on authentic, simple, individual, and future-oriented enterprise goals.

- **Create:** We enable visionary technologies for tomorrow
- **Live:** We live performance, joy and individual growth
- **Care:** We make our world safer and better

Identification of material topics

We have reviewed the information gathered for this report and then modified, updated, and further expanded the scope of information in this report in various sections. In doing so, the GRI Sustainability Reporting Standards and the materiality analysis carried out in 2020 served as guidance for our yearly revision and the expansion of the content of this report. With a view to the materiality of topics, we consider those as material that are important to INFICON from an internal Company perspective, and/or from an external stakeholder perspective, and/or have a significant economic, environmental, or social impact. In our yearly review of the materiality assessment, INFICON identified no need for any changes. The materiality matrix below thus shows and ranks the identified material topics to depict INFICON's business model and stakeholder view according to the three dimensions "business relevance", "relevance for stakeholders", and "impact relevance".

Materiality matrix



Stakeholder Management

Key stakeholder concerns

Developing good relationships with all stakeholders is key for the long-term business success. INFICON regularly engages with its stakeholders in a broad and systematic variety of ways to understand their needs and gain insights into changing market requirements, trends, and developments. Above all, day-to-day communications are the most important form of interaction. Daily contact with customers, suppliers, and business partners, as well as personal discussions among employees clearly indicate what topics are relevant to the individual stakeholder groups.

Each organization identifies and prioritizes its stakeholders and their interests, discussion topics, and values by the means of formal management reviews, SWOT analyses or dedicated stakeholder analyses as part of our ISO certified management system. Overall, INFICON defines stakeholders as entities that engage in economic transactions with the Company, or are affected by its actions. The Company's key stakeholders are customers, employees, suppliers, the academic world, shareholders, and local communities.

Key stakeholder concerns

INFICON's customers faced a demanding global business environment in 2022. While the COVID-19 pandemic lost some of its force in Europe and America, it continued to affect important sourcing markets in Asia and China in particular. In addition to the ongoing international trade, tax and industry policy disputes aggravated sourcing bottlenecks and led to certain scarcity issues for a series of important components and materials. INFICON interacted in many different formats with its global customer base to understand their high expectations. The table below summarizes the interaction formats and topics:

Examples of engagement formats	Key needs and concerns
Daily interaction Regular personal contact	Reliable customer service Quality/good value products Meeting the technical specs and requirements Fast response times
Video conferences Workshops/visits Webinars, technical trainings	Reliable on-time delivery Health and safety impacts of products
Conferences Social media, newsletters, emails Trade shows (virtual and physical)	Providing general information Show and explain innovation and performance Assess overall industry and technology trends
Industry associations	

Understanding our customers' most pressing needs from an early stage is a prerequisite for delivering reliable customer service in challenging times. INFICON experiences great customer loyalty and rising demand for its products, technology, and services. As the pandemic had limited international travel especially in 2020 and 2021, new electronic formats of customer engagement have become more widely accepted. As travelling has become easier again in 2022 in many world regions, our key account managers and technical staff was able to meet more often again with customers. Yet INFICON continues to advocate the electronic formats in many occurrences as ecologic alternative for frequent travels. To certain regions or countries, cross-border travel remained still difficult if not impossible in 2022. Business trips to China were still not possible. So, INFICON experts engaged with their counterparts in these regions by frequent video conferences, virtual reality assisted tools, and social media. Apart from key accounts, INFICON addressed the broader customer base at industry-specific tradeshow and conferences, on industry association panels, through webinars and technical training videos as well as newsletter, e-mails and an expanded presence on social media. INFICON has expanded its presence on various social media platforms to facilitate getting in touch with the company.

INFICON's employees still face the consequences of the COVID-19 pandemic in certain ways at the various production and service sites. Most of the restrictions and precautionary measures were gradually alleviated, yet some remained in place and have become part of our normal daily routine, as e.g. using disinfectant lotions for proper hand hygiene and where possible working partially from home.

INFICON remained focused on being a reliable and caring employer throughout the pandemic, keeping employees safe, highlighting job security at INFICON and retaining existing colleagues as best as possible. INFICON intensified internal communication in the pandemic years via different channels ranging from on-site staff gatherings to virtual town-hall meetings, from sharing information on the intranet to more frequent newsletters, from job related training sessions to the INFICON identity workshops and meetings. As INFICON is expanding its global operations to accommodate future growth, hiring and especially on-boarding new staff and talents locally requires good communication skills and a high level of attention.

Examples of engagement formats	Key needs and concerns
Daily interaction	Health and safety
Regular staff meetings	Job security
	Flexible communications and information sharing
Regular town-hall meetings	Business situation
Intranet, newsletters	Workload
Trainings	Compensation, training and education
Employee representatives	

INFICON's suppliers often struggle with severe bottlenecks. Shortages occurred in the wake of the COVID-19 pandemic, different national strategies to cope with it, and because of the international trade, tax, and industrial policy disputes, and last but not least as a consequence of the war in the Ukraine. The globally rapidly rising demand for semiconductor products, electronics and other key components created shortages on the supply markets. With China being a key sourcing market for such components, the country's "zero COVID" strategy caused recurring industry shutdowns and supply scarcity. Continuous sourcing of certain components became very challenging. Well-established, mutually beneficial, reliable and resilient supplier relationships are still key, yet proved not to be sufficient. INFICON had to engage

various component brokers to safeguard its supply of certain components and materials from different countries. INFICON's purchasing departments and specialists closely interacted on a day-to-day basis with key suppliers, focusing on securing the needed quantities of components at reasonable prices. At the same time, INFICON continued to emphasize on site or virtual supplier visits and audits, in order not to compromise the quality of the goods delivered to INFICON given the tight conditions on the sourcing market.

Examples of engagement formats	Key needs and concerns
Regular, daily interaction	Prices
Supplier visits	Required volumes
Supplier audits	Specifications
Quality and pricing meetings	Reliable on-time delivery
Forecasting systems	Volumes, capacity, planning

INFICON's local communities see and know INFICON as a corporate citizen and frequently contact the corporation regarding topics such as sponsorship and support of local events or initiatives. Local communities and the public at large ask for more transparency of environmental, social and governance data. Regulatory developments also indicate that requirements regarding non-financial disclosures will increase.

Examples of engagement formats	Key needs and concerns
Engagement projects	Sponsorship
Funding requests	Support with personnel
	Other contributions and support
Open-door events	

The international financial community community is obviously an important stakeholder group for a publicly listed Company. INFICON engages in a continuous dialogue with its investors and the financial community at large by means of its Annual Report, Interim Reports, its quarterly earnings releases, presentations and WEB-conferences, its Annual General Meeting of Shareholders, Technology Days, as well as national and international roadshows and the attendance at financial conferences. The investors and analysts are keen to understand how INFICON is generating value today and in the future. Especially in Europe and America, meetings with analysts, brokers, and investors have increased in the year under review as travelling became

less restricted. These stakeholders want to learn about the product pipeline that continues to define the market benchmarks and thus secures the Company's long-term successful positioning. They also want to understand INFICON's core technological competence in vacuum technology, which is publicly available on the Internet, highlighted in INFICON's reports and presentations, and addressed at the Technology Days that take place from time to time. INFICON management interacts on average with about 200 investors and analysts per year via various personal channels.

Examples of engagement formats	Key needs and concerns
Financial reports and press releases	Growth
Annual report and Sustainability report	Profitability
Annual general meeting	Long-term success
Analyst conferences/summits and calls	Product pipeline, development projects
Technology days (every four to five years)	End-market developments
Roadshows	Sustainability

International industry associations provide important interaction and discussion platforms for INFICON on a variety of topics including industry-specific compliance and conformity issues, products and process certifications and tax contributions.

INFICON is member of following associations:

INFICON AG/Liechtenstein:

- Swiss-American chamber of commerce
- Vacuum Society
- American Vacuum Society (AVS)
- Swiss Association for Standardization (SNV)
- Swissvacuum
- Swissmem
- SAQ (Swiss Association for Quality)

INFICON GmbH/Germany:

- SPECTARIS e.V. – Deutscher Industrieverband
- kölnmetall – Arbeitgeberverband
- IHK – Industrie- und Handelskammer zu Köln
- BG ETEM
- Deutsche Vakuum-Gesellschaft e.V.
- DIN – Deutsches Institut für Normung e.V.
- DLG – Deutsche Landwirtschafts-Gesellschaft e.V.
- DIL – Deutsches Institut für Lebensmitteltechnik e.V.
- Deutscher Kaffeeverband e.V.
- ZLV – Zentrum für Lebensmittel- und Verpackungstechnologie e.V.

INFICON Inc./USA:

- Centerstate CEO
- MACNY
- National Association of Manufacturers (NAM)
- National Defense Industrial Association
- Packaging Machinery Manufacturers Institute
- Southern Gas Association
- American Public Gas Association
- Air Conditioning, Heating & Refrigeration Institute (AHRI)
- Society of Automotive Engineers (SAE) – Interior Climate Control Committee (ICCC)
- Heating, Air Conditioning and Refrigeration International Distributors (HARDI)
- Mobile Air Conditioning Society (MACS)
- Manufacturing Leadership Council

Universities and Research Institutes are important partners. INFICON is leading currently 15 research projects with leading universities and research institutes located in the US and in Europe. The cooperation with such bodies is an important source of new expertise in new fields of research and thus in new fields of application ranging from research goals to implemented industrial manufacturing, and medical applications. INFICON also seeks to find new and refine core technologies to be integrated into its vacuum technology components through the cooperation with those research institutes. The complexity of vacuum technology and its rapid technical and scientific development requires a permanent and close look at developments in the core and in neighboring and sometimes even rather distant disciplines such as optics and acoustics. We also co-develop new materials including ceramics, glasses, metal alloys, and innovative novel coatings that promise new properties beneficial for the performance and longevity of our customers' or our products, that open or require new vacuum technology procedures and applications. INFICON also cooperates with academic bodies to bring data analysis projects forward as rapidly analyzed data are a key to next-generation innovations.

Important to note is also the fact that the close cooperation with universities and research institutes promotes INFICON's attractiveness as employer. Young experts get to know our products, our research and development capabilities and our technological leadership position. The close cooperation with these academic and applied scientific bodies helps INFICON to attract young talents.

Good governance

Since its formation, INFICON has implemented high standards of Corporate Governance and business ethics. Separate chapters on Corporate Governance and on INFICON's compensation practices disclose further information in a systematic manner. Here, it is important to note that the Board of Directors and Group Management comprise different persons, that there is no overlap of offices and no conflicts of interest. Corporate information continuously flows between Management and the Board supported by a solid information system. Employees, shareholders and the public at large regularly receive information about INFICON's business and financial performance.

Good governance at INFICON also implies high ethical and moral standards as they are set out in the INFICON Business Ethics Policy. We expect compliance with these guiding principles in the daily work of any INFICON employee on all levels and in all functions. As a Company and corporate citizen, INFICON itself adheres to fair and good business practices in a broad sense. Board and Management are involved and focused, ESG criteria are part of the incentive system of Group Management. In 2022, e.g., the objectives for Group Management included apart from qualitative targets the quantitative goal to reduce the Group's CO₂ emission by at least 3%. As shown later in this chapter, the actual reduction achieved was 59%. We are also aware that a Company benefits from infrastructure and public services in the various jurisdictions where we are active. Therefore, good governance also includes fair tax practices.

Business ethics policy

INFICON's Business Ethics Policy defines the fundamental principles of ethical business behavior and the responsibilities of every employee and Company representative. A proper conduct includes compliancy with the law, ordinances and regulations, as well as accounting principles and procedures. Compliancy is instrumental as we strive to avoid any violation of the law or other regulations.

In addition to regular internal reviews, 2022 saw again external audits at various sites focusing on quality, financial performance, and/or IT systems and security. INFICON welcomed several customers on-site who conducted their own supplier reviews. All these meetings highlight the importance of our sound Business Ethics Policy and compliancy with the law.

INFICON'S policy forbids child or forced labor and stipulates honesty and integrity in personal behavior. It gives guidance for political contributions, gifts, fees and commissions. Our policy also covers topics such as conflict of interest and other potential misconduct. It provides employees with guidelines about how to behave in the international business environment, how to handle corporate and confidential information, defines employment practices, as well as health and safety procedures. We seek to support diversity on all hierarchy levels. INFICON's Business Ethics Policy is publicly available online at <https://www.inficon.com/about-us/company/>.

Violations of the Code of Conduct must be reported promptly by the employee to his/her direct supervisor or, if necessary, to the audit committee of INFICON corporate management (Dr. Reto Suter, In der Deisten 11, 8125 Zollikerberg, Switzerland, email: INFICON@whistleblowercontact.com). All information received from the employee will be treated confidentially to the greatest possible extent.

All new employees who start at INFICON complete a special training session on business ethics at any of their respective Company site around the globe. Bi-annually, all employees participate in a refresher course and renew their commitment to our high standards by signature.

INFICON assesses every year if there were any reported breaches of compliancy with the policy, any confirmed incidents of corruption, or any legal actions for anti-competitive behavior or any anti-trust issues.

No incidents of corruption were reported for the year under review.

Tax strategy

As a globally active corporation with sites around the world, INFICON benefits from the public infrastructure and other public services at the locations we or our customers operate. Tax money generally pays for the usage of public infrastructure and other public services. As a corporate citizen, INFICON complies with the applicable tax laws and pays taxes wherever we undertake commercial activity. INFICON does not engage in any aggressive tax planning or artificial structuring to minimize tax payments. INFICON's Executive Office is in charge of tax governance, control and risk management, based on regular discussions with and recommendations from the Board of Directors and external consultants.

Economic foundation

Value creation for our customers

In our business decisions and conduct, we consider economic, environmental and social aspects at both strategic and operational levels. This approach lies at the heart of the Group's long-term strategic orientation, its value creation, market leadership, and thus long-term success and profitable growth.

INFICON's business model has proven to be strong for over 20 years. Our instruments, the technology and customer targeted offering allows us to generate solid cash flows to solidify and grow the business. INFICON is active and present in all world areas. We operate in very competitive target markets, where we hold leading positions, generally as one of the top three global solution providers. See page 11 for an overview map showing INFICON's global presence.

Large customers with multinational presence as well as local industrial clients and academic institutes can rely on INFICON to ensure a high level of service deployment around the globe. INFICON covers the global target markets with three brands. We also manufacture and supply private label products for large industrial players. Please refer to pages 6–7 for an overview on INFICON's target markets. The goal is clear: INFICON wants to offer competent services, consultancy and training covering the full customer-buying circle. INFICON's global sales and service organization counts around 350 people, and includes functions in sales and marketing, application engineering, customer service, order management, logistics, as well as specific finance and administrative staff. Customers around the globe benefit locally and efficiently from a comprehensive range of installation, commissioning, calibrating, maintenance, repair, and device rental services.

To meet these expectations, INFICON has embarked on a comprehensive investment strategy in 2021. The 3-year program was timely executed and is already largely concluded. With investments of over USD 50 million, this initiative has added some 50% additional capacity group-wide. The projects included shop floor and equipment capacity expansions as well as investments in optimized and more flexible processes and fine-tuned practices. The following facts illustrate the scope of these significant investments:

In Balzers (LI), a whole floor of office space was converted into additional 1200 m² production space. In the Aalands (FI), the existing facility area was increased by over 50% to accommodate growth. INFICON has added 752m² production area and 260m² office space. Additional expansions are scheduled for 2023. In Cologne (DE) INFICON invested into building renovations and expansions allowing for more flexible logistics and adding additional manufacturing space. New machinery and equipment was another investment focus at Cologne. In Syracuse (USA) we renovated and changed the layout and the usage of some of the buildings, too. Formerly located at four different locations we consolidated the service tool activities in two designated areas. These changes resulted in a gain of some 30% of additional production space.



Long-term test system for vacuum gauges, Balzers (LI)



Vacuum gauge calibration systems, Balzers (LI)

Major customer groups per target market

INFICON serves different clients in these target markets: In the largest target market, **Semiconductor & Vacuum Coating**, we address two major customer groups: The first consists of semiconductor or thin-film coating end-users and their top-tier suppliers. They seek to optimize their manufacturing processes and output yields. INFICON gas and vacuum instruments as well as process control software help semiconductor manufacturers ("fabs") to optimize their production processes and increase the yield and quality of their wafer production. Our products also help fabs to monitor the storage, transport and usage of raw and process materials and are thus vital for environmental protection efforts of our customers. The second large customer group are Original Equipment Manufacturers (OEMs). We supply them with vacuum and thin film technology components, which they integrate into their semiconductor or vacuum coating production equipment and tools.

In the **General Vacuum** market, we supply vacuum analysis, control, and measurement instruments to a broad array of customers. They include e.g. leading and innovative companies and organization in the life science and analytics industries, in the food packaging business, and the global research and academic community.

In the **Refrigeration, Air Conditioning, and Automotive** market, our customers specialize in cooling appliances and services. They focus on quality control, leak tightness of their products, and on leak detection when servicing the installed base of products. Leak tightness is also of paramount importance for many components in modern cars – from engines to fuel tanks and airbags, and an increased focus on testing lithium-ion batteries and battery stacks. INFICON products support the change from combustion to electric or hydrogen powered vehicles. We have designed and developed leak-testing devices specifically for this rapidly growing market.

In the **Security & Energy** market, we supply public and private sector clients with devices to rapidly detect and analyze gases and volatile organic compounds. INFICON products help identify chemical agents and hazardous volatile compounds and thus increase the safety of people and the environment.

Innovation and market leadership

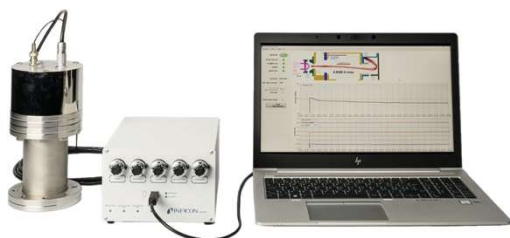
Global competition keeps the innovation pace high. INFICON strives to provide customers with the best available technology for their complex and rapidly evolving vacuum technology production processes and tools. INFICON devices guarantee maximum accuracy of measurement results. Our products and services help customers gain the best control and predictability of their processes and maximize productivity and yield while minimizing production time, material usage, scrap rate and labor and maximizing the product life cycle. Employing INFICON components and instruments leads to the overall lowest cost of ownership in the longer term. The use of INFICON tools in the refrigeration industry provides an illustrative example of this approach: Globally, almost 200 million refrigeration units are built and sold annually. They all work similarly. A compressor is the heart of the system. It liquefies a gaseous cooling agent emitting heat to the ambient. Pressurized, the liquefied coolant gets into the evaporator inside e.g. a fridge or an air conditioning unit. Absorbing heat from within the fridge or the air intake in an AC unit cools our food in the fridge or the air. In this process step, the liquid coolant changes back to its gaseous state which is then again pumped to the compressor. The leak tightness of such systems is key. Only tight systems work correctly, energy efficiently,

and over a long time. Besides cooling agents should not leak into the ambient. The highly sophisticated mass spectrometers and proprietary software of INFICON's Refrigerant Leak Detectors enable appliance manufacturers to detect all kinds of refrigerants during the various productions steps, in the final quality testing of the finished product, and when servicing the installed devices. Spotting leaks of 0.05 grams per year, they are times more accurate than industry standards require. The benefits are obvious for the manufacturers, for consumers, and the environment.

Understanding and anticipating our customers' most pressing, emerging, and future needs, spurs and drives innovation. At INFICON, we understand industrial innovation as a multi-layered process ranging from continuous enhancements and optimization efforts for existing product categories, to screening, applying and leveraging the latest scientific discoveries into new use cases, products, and services. INFICON is an expert in developing market-leading instruments for gas analysis, measurement, and control. In many industries, our products are recognized as technology benchmarks. The high innovation pace allows INFICON to hold and expand its number 1 to 3 positions in all target markets.

In 2022, INFICON launched a series of new products and technologies, including first-of-a-kind innovations and updated versions of existing products. These novelties include amongst others

- **The Ion Reference Gauge IRG080** is a first-of-a-kind vacuum sensor developed for precise total pressure measurement in vacuum systems. Based on an innovative concept of the ionization vacuum gauge (the hot cathode emits electrons travelling on a straight path into a Faraday cup), IRG080 is suitable as reference standard in the range of 10^{-8} mbar to 10^{-4} mbar. IRG080 offers unmatched accuracy down to 1%, predictable gas sensitivity with a very small spread, very good short-term repeatability and reproducibility. The gauge is the ideal solution for metrology and calibration. IRG080 is connected and controlled by the IRC081 display and operating unit.



- **VGC094** is a prestigious solution for vacuum process measurement, control and data log. Compatible to the wide range of INFICON passive gauges, VGC094 is able to monitor the entire pressure range from 1×10^{-11} to 1000 mbar. VGC094 can be configured to control up to 4 passive gauge heads (Pirani gauges, inverted magnetron gauges) by two sets of measuring cards. The controller provides latest digital interfaces (USB, RS485, Ethernet) and user's specific communication standards with individual communication cards. VGC094 the ideal solution for long distance, high temperature or high radiation extreme applications.



- **The Transpector® APX family of products** saw 3 additional variants being launched in 2022. These products support the emerging customer needs of process monitoring for harsh applications in the evolution of Moore's Law.



- **HP100** is the newest sensor in our optical portfolio. The sensor is a self-generating plasma-based sensor that can operate in pressures of up to 1 atmosphere with part per million and extends the range from our current Quantus LP100 sensor.



- **IMC-300** the newest deposition controller used in OLED and optical coating industries offers many performance improvements, as well as, patented algorithms to predict system health, improve yield, and aid in cost reduction.



- **HAPSITE® CDT**, extended capabilities over the legacy HAPSITE ER continue to show high customer value as demonstrated at recent military exercises and the immediate tender funding for foreign government and security agencies.



HAPSITE CDT portable chemical identification system identifies and quantifies narcotics, explosives and toxic industrial chemical threats



HAPSITE CDT is designed for the needs of military, civilian and hazardous response teams that require fast, on-site analysis

- **UL6000 Fab PLUS** is an all-new leak detector featuring the novel I-RISE technology. Leak detection is both time-consuming and complex. By measuring rate-of-rise, semiconductor- and vacuum equipment is continuously monitored during operation. Upon leak indication by this integral leak test, leak positions are then localized using the helium spraying method allowing for the required repair. This is followed by another leak test using pressure increase or so-called vacuum decay measurement – an intricate process which needs to be repeated until all leaks are detected. Moreover, to be as precise as possible, measurement times for this procedure are often particularly long for large equipment volumes. Thanks to I-RISE, our Intelligent Rate-of-rise feature, the new UL6000 Fab PLUS now performs pressure increase measurement all by itself and combines it with the helium spraying method. Our patented system enables measurement times to drop drastically, and thus helps minimize both general time for leak testing and fab equipment maintenance. Experience even faster and more precise measurement results – in under 10 seconds, independent of chamber volume.



Strongly connected to our customers

INFICON was formed and operates since as a truly customer-oriented Company. We are keen on turning our customers' emerging needs into our own innovation targets. Through our close cooperation with OEMs and end-product manufacturers, we gain important information about both their needs as well as the needs of their customers, which in many instances are also our customers for end-user products.

INFICON's global sales and service organization includes globally approximately 350 people. In addition to office staff, about half of them are highly skilled service and application engineers who are in constant dialogue with our customers. On top of that, customers can rely on the INFICON's trained assistance from distributors and agents. We analyze customer feedback carefully. We collect spontaneously expressed responses. In addition, we sporadically distribute customer surveys in the various regions, for specific markets, or certain product categories to unveil otherwise unexpressed customer wishes and opinions. We also systematically monitor external and internal data such as customer complaints, product rejections, as well as insights from our own development efforts or quality assurance processes. On these grounds, we define measures and derive actions for our own processes to close the customer feedback loop full circle.

The proximity to our customers is an important source of innovation. Our sales and service staff learn about our customers' technical challenges help them develop new applications, and spur our own in-house innovation and developments.

Cross-border travel remained constrained in various parts of the world in 2022. National or local trips were easier. INFICON's global presence proved to be a true asset. Yet, the COVID-19 pandemic made personal contacts more difficult. So, INFICON further increased its online and even virtual reality assisted communication skills by offering video meetings, virtual product demonstrations and technical webinars. We host user-group platforms such as e.g., the Leak Detection Academy, share technology roadmaps, run an INFICON channel on YouTube, and invite customers to virtual exhibitions or provide them with trial development kits. To tailor our

virtual contacts to our customers' needs, we are providing augmented reality assisted advice, training, commissioning, or problem-solving expertise for over the shoulder (OTS) applications.

Product quality and compliance

INFICON wants to be recognized as the benchmark supplier of best-in-class products in its target markets. Superior product quality is of utmost importance for INFICON's long-term existence and growth. It has a profound impact on the ability to maintain and increase market shares by outperforming the competition. INFICON's quality principles apply both to design and manufacturing processes. They help reduce scrap and waste in our own production, reduce energy and raw material consumption in our customers' processes and applications, and extend the life cycle of their finished products. Thus, at INFICON the notion of sustainability lies at the heart of our lean manufacturing and lean facility management efforts.

Compliance with all legal requirements ensures that no restricted materials of environmental concern enter production. This quality approach is a true differentiator and helps us position ourselves as number 1 to 2 in all target markets.

At INFICON, the design for manufacturability and the continuous improvements in production reduce scrap and ensure efficient material use of raw materials and components during all steps of production. Our compliance process ensures that replacement materials are developed and evaluated in order to eliminate raw materials, chemicals, or components of environmental concern. While there are no Group-wide targets, all locations have formulated individual goals for scrap in production and/or so called cost of poor quality (COPQ) targets. Finding and eliminating the root cause for COPQ (scrap, waste, customer complaints, problems in production, sorting, rework etc.) is an important part of our quality management system.

On a corporate level, INFICON monitors and documents quality according to the ISO 9001:2015 requirements in a yearly Management Review. All ISO certified locations provide their respective information for a consolidated Group report. The final document contains over 200

pages and covers quality performance and indicators on many levels. An audit (ISO 9001 and 14001) was conducted in Balzers (LI) in November 2022 and revealed no non-conformances.

Quality means producing results that meet the requirements for a defined purpose, ultimately generating permanent customer satisfaction. Quality is a key factor in determining our market position. Both our external and internal customers determine to what extent their requirements are met and therefore set the standard of the quality of our products and services. INFICON's quality principles are documented in our quality policy.

They include the following elements:

1. Customer satisfaction and market knowledge are determining factors: Satisfying our customers' expectations is of primary importance to our success. Our strategic orientation builds on a thorough knowledge of the markets we serve.
2. Our employees are the key to our success: We foster teamwork and understanding of environmental issues and promote extensive communication in an attractive work environment. We provide adequate vocational and advanced training and professional development to highly motivated employees that are committed to our high quality goals.
3. Know-how ensures future success: To offer our customers innovative solutions, we constantly cultivate and enhance our know-how through active collaboration with our suppliers and future partners.
4. Quality is the result of managed processes: We constantly optimize our business processes in order to supply our customers with products and services that meet the agreed to quality standards. We comply with state-of-the-art methods and fulfill special customer requirements, e.g. CE/CC requirement (Copy Exactly / Change Control).
5. Comprehensive continuous improvement: We measure our performance with defined key metrics and take the required corrective measures.

INFICON monitors the success of its quality policy by the customer feedback given during quality audits performed on-site. Two strategic customer audits took place on-site in Balzers in 2022. One planned and scheduled for our operations in China could not take place due to restrictions because of the COVID-19 pandemic.

Products with social and environmental impact

Our innovation efforts and our strong product pipeline inherently guarantee for the Company's technological leadership, long-term growth and prosperity. At the same time, they make an important contribution to resource conservation at our customers' and help protect the environment and humankind. All our research, development, and innovation goals encompass ideas to inherently promote a positive social and environmental outcome.

Understanding how INFICON products help achieve environmental and social goals is a very important aspect of the corporate purpose discussion. It helps promote the engagement and commitment of our employees and solidifies the positive reputation of INFICON in the public at large.

INFICON's flexible manufacturing model involves materials and components sourced from many different suppliers. We strive to use materials and components that minimize negative impacts on our environment. INFICON's products help reduce environmental impacts, prevent leakages etc., help customers reduce waste and increase yield.

A revenue mapping analysis made in 2021 by an investment, wealth management and research institute and bank assesses that over 80% of INFICON's revenue is aligned to the United Nations Sustainable Development Goals (SDGs), including goals 3, 9a, 9b, and 12.

Looking at key product categories, their positive effect can be described as follows:

- **Leak detectors** spot harmful gases so they can rapidly be sealed off. In capital-intensive industries such as the manufacturing of semiconductors, employees must find and repair leaks very quickly. INFICON's newest solution is UL6000Fab. It is not only the most precise, durable and thus reliable testing system on the market, it saves time throughout the testing sequence. <https://www.inficon.com/en/products/ul6000-fab>

- **Vacuum gauges** control production processes and reduce waste and energy consumption. INFICON gauges offer superior accuracy and reliability in compact designs. Four different technologies cover the whole range of vacuum from ultra-high vacuum up to atmospheric pressure. The Pirani technology enables cost-effective measurement in the low and medium vacuum range. The Capacitance Diaphragm technology enables precise measurement in the low vacuum range, whereas the ultra- and high-vacuum ranges are covered by the Hot or Cold Ionization technologies. Each technology is available as a stand-alone sensor or combined with complementary measurement technologies. A recent example of such a combined gauge is Augent™OPG550. This Optical Plasma Vacuum Gauge combines two sensor technologies into one compact device for gas type monitoring from 1×10^{-7} to 5 mbar and to measure total pressure from atmosphere down to 1×10^{-7} mbar at the same time. An integrated Pirani sensor to switch off plasma above 20 mbar protects Augent. In the measurement range between 1×10^{-7} and 5 mbar, the gauge allows the detection of gases such as oxygen, nitrogen, hydrogen or argon. <https://www.inficon.com/en/products/opg550>. To learn more about the full range of INFICON gauges, view: <https://www.inficon.com/en/products/wide-range-vacuum-gauges>
- **Gas analyzers/Chemical identification systems** generate contamination profiles needed to rapidly remove a hazardous risk or to contain valuable and often hazardous process gases. INFICON developed HAPSITE® ER person-portable Gas Chromatograph-Mass Spectrometer (GC/MS) to help responders quickly identify and accurately quantify a broad range of chemicals in unknown samples to provide actionable data, in order to protect the health and safety of themselves and others. The new HAPSITE CDT is taking the HAPSITE family to the next level with improved analytical capabilities and ease of use. <https://www.inficon.com/en/markets/military/hapsite-cdt-introduction>.
- Another example is Transpector APX, the latest model in the family of market-leading Transpector RGAs, specifically designed for advanced semiconductor processes such as ALD, CVD, and Etch. <https://www.inficon.com/en/products/residual-gas-analyzers>

Social responsibility

Employees – a core asset at INFICON

INFICON is active in a highly competitive marketplace. In our quest for talents, we compete not only with often much larger corporations but also with universities, research laboratories and scientific institutions. Our success relies on attracting, developing, empowering, and retaining the most talented employees. Smart colleagues drive innovation and product excellence.

In 2022, INFICON Management and personnel committees at all sites met for workshops with the goal to deepen the understanding of INFICON's DNA. Our corporate culture rests on this Identity Statement with three authentic, simple, individual, and future-oriented enterprise goals



The identity statements serve to communicate in simple terms why we as an INFICON family member get up in the morning, go to work with a smile and are passionate and enjoy what we do.

Being recognized as an attractive, modern, and fair employer where people at all levels are motivated and happy to work, helps INFICON attract, recruit and retain the best suited talents. While INFICON does not run a formal employer branding policy, the attractiveness of INFICON positions is well known in the industry. We discuss these topics with all job applicants and supporting employment agencies. Apart from competitive payment, we offer all our workers attractive performance-based financial benefits.

We see sustainability as one of our enablers which supports and allows us to execute the strategic initiatives and growth plans. The personal goals for INFICON's top management include certain sustainability targets such as e.g. to support efforts expanding the scope of ESG information, facilitate non-financial data gathering, promote our commitment to be sustainable as a company, or define further KPIs.

Our colleagues welcome INFICON's flexible working hours and work patterns, our canteens where staff of all levels meet and mingle, attractive lifelong learning and development programs, and many after-work social activities that often include the families of our colleagues.

Social activities take place regularly at all locations. They include e.g. barbecue or summer festivals, family days, Christmas and year-end parties, planned and spontaneous get-togethers to celebrate success, pre-defined milestones and company outings. These events also take local customs and workforce preferences into account (as e.g., skiing days in Switzerland and Liechtenstein with international participation; moon festival or Lunar New Year celebrations in Asia). Apart from these instances, regular management updates at every INFICON site create a shared culture that fosters identification, team spirit, creative cooperation, and intercultural inclusion.

A comprehensive HR program structures INFICON's dialogue with its staff and workforce. Every new colleague receives a formal introduction to the Group and the respective site on his or her first day. HR continues to be in regular contact with all employees supported by numerous programs rolled out across the whole Group. These include courses on our Company values and business ethics, professional health and safety training, the pillars of personal health (body, spirit, and soul), INFICON's value-based approach to corporate governance, leadership, and motivation.

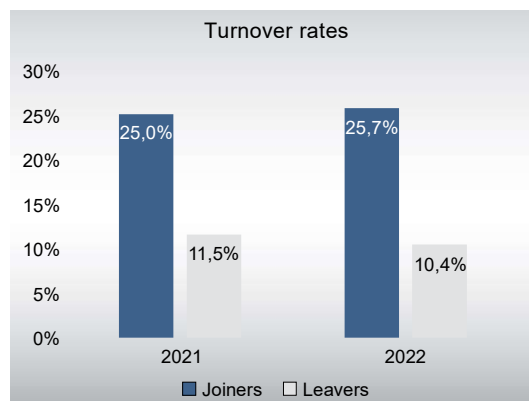
Every colleague annually discusses his or her performance and achievements, satisfaction, motivation, personal development goals as well as communication aspects at work with their immediate managers in a structured appraisal dialogue. At Balzers and Cologne, everyone prepares individually for these annual discussions. At Balzers, so-called energizing talks complement this process mid-year. The Human Resources departments oversee this process and assess the long-term success with key performance indicators such as employee satisfaction, loyalty, and fluctuation, as well as participation in the various ongoing training, workshops, and development programs.

In 2022, the HR Team in Cologne analyzed the development turnover rate during the reporting year; the COVID-19 pandemic along with new and changing national health and safety measures on the one hand and a rising number of new colleagues joining INFICON due to the ongoing expansion process were major turnover factors. Even in these challenging times, INFICON managed to fill openings in its staff in reasonably short times. The HR teams also conducted farewell interviews when colleagues retired or chose to continue their careers outside of INFICON to systematically collect feedback on INFICON as an employer.

Turnover rates

All numbers in Headcount	2021	2022
Joiners in Headcount	247	288
Leavers in Headcount	114	117
Joiner Rate	25.0%	26%
Leaver Rate	11.5%	10%

The data covers our 4 largest sites: the 3 competence centers Balzers (LI), Cologne (DE) and Syracuse (USA) as well as our production site in Aaland (FI)
Rates are calculated by dividing the total number of joiners/leavers by the total number of employees in the respective year.



Ongoing education and training

INFICON sees itself as a learning organization. It therefore offers ongoing training for all employees to empower everyone with the required knowledge and skills to optimally fulfil their responsibilities and perform in their respective jobs. These trainings respond both to the needs of the individuals as well as the requirements of the market and the Company as a whole. They unleash the employees' potential, creativity, and motivation to secure, stimulate and transfer expertise and knowledge.

Data from our locations in Balzers (LI), Cologne (DE) and Syracuse (USA) as well as our manufacturing site in Aaland (FI) show that in 2022, the average hours of training per employee reached a level of 7.6 hours.

Health and Safety at INFICON

The Business Ethics Policy declares personal health and safety of all employees a top priority. We have adopted policies and procedures to ensure that we meet and exceed all applicable health and safety laws and regulations as well as prevailing industry standards. We track all these measures by key performance indicators on incidents, accidents, absenteeism. We evaluate feedback from our human resource departments, our workforce, and from our insurance companies.

A regularly reviewed training program ensures implementation of all safety policies and procedures. Training topics range from general safety at work courses, specific instructions for special jobs or equipment and sessions on how to adjust one's workstation ergonomically, to firefighting courses, lessons on applicable chemical laws, and teachings on how to correctly handle critical chemicals, to name a few examples. Regular escape, rescue and evacuation drills familiarize the employees with the facilities at the various worksites. Training of occupational health and safety related topics is e.g. part of the onboarding program for every new colleague.

An EHS program designed in 2021 was rolled out in INFICON's Syracuse plant, including respective training sessions on work safety, health and workplace ergonomics.

The COVID-19 pandemic asked for special attention during the last three years. As a Group, INFICON mastered the COVID challenges very well. According to the local requirements, different measures were still taken at the various work sites in 2022.

In January 2022, INFICON implemented a COVID vaccination policy for all employees in Syracuse. This was required in the context of INFICON's supply contracts with US federal authorities. In addition, the so called "New York Hero Act" was also implemented. It outlines the protocol and procedures when dealing with airborne infectious diseases including amongst others e.g. physical distancing, sneezing etiquette, personal protection such as face masks and gloves, and hand hygiene, health screenings when coming to work and a stay-at-home-policy if someone develops symptoms. As all local employees in Syracuse were thus vaccinated, the special COVID protocols were no longer required. As in prior years, INFICON put up an on-site flu shot clinic in October 2022 as a service for all employees.

At INFICON in Balzers, the implemented COVID-19 health and safety measures proved to be very successful. There was no significant impact from COVID-19 on e.g. working days lost due to sickness of employees over the past three years. INFICON continues to provide hand-sanitizing gel at the entrances and promotes cautiousness in any physical contact. All production equipment is CE compliant. Identification and assessment of risks is done with the help of SUVA (Swiss work accident insurance) guidelines/checklists or external experts if appropriate.

The COVID-19 related measures taken at INFICON in Cologne over the past three years were gradually alleviated. In order to keep the risks as little as possible, INFICON still offers hand-sanitizing liquids, hands out free face masks and self-testing equipment. Overall, the pandemic was well managed as highlighted by the fact that there were no significant increases in sick leave days. In autumn 2022, colleagues at INFICON in Cologne were all invited to take free influenza vaccination shots.

Health and safety is everybody's objective

At INFICON, employees and workers are involved in the development, implementation and evaluation of the occupational health and safety management system. Everybody should report any relevant EHS findings, incidents, accidents or potential risks to their supervisors or a dedicated safety officer and all employees are invited to make suggestions. The work sites have clearly structured reporting schemes. At Cologne, any injury and accident is brought to the attention of the Human Resources Department using a special form. In the case of work/travel accidents with a lost time of more than three working days, it is also reported to the Employer's Liability Insurance Association. If an accident occurs, the nature and scope of occupational health and safety compliance are investigated. If necessary, experts help to clarify the situation, reassess risks and implement corrective measures. Syracuse has a reporting ticket system; an incident is flagged to the EHS manager who then follows up with employees, supervisors and witnesses to determine the root cause and possible risk mitigation steps. In Balzers, an accident report form supports the notification process to the HR department. In addition, all accidents and near accidents are brought to the attention of the safety officer for a root cause analysis and for the implementation of corrective/preventive actions as appropriate with the help of SUVA checklists.

On a more personal level, INFICON Balzers supports programs such as the cycle to work initiative, yoga sessions, and encourages workers to join jogging or walking groups. INFICON also supports a soccer team – the IFCN Kickers – who compete with other corporate football teams in a local championship. In 2022, the IFCN Kickers won that tournament. Most INFICON work sites have canteens. They offer freshly cooked food for lunch that is partly paid for by the Company. INFICON also offers fresh fruits free of charge and invites people to drink enough water at fresh water dispensers available all over the facilities. Our safety manual also calls to take the necessary measures to prevent home and leisure accidents (e.g. warm-up).

Occupational Health and Safety

	2021	2022
Accidents resulting in at least one lost work day	8	7
Lost work days	31	17
Accident Frequency Rate (AFR)	1.1	0.9
Accident Severity Rate (ASR)	4.1	2.1

*The data covers our 4 largest sites: the 3 competence centers Balzers (LI), Cologne (DE) and Syracuse (USA) as well as our production site in Aaland (FI)
Rates are calculated by dividing accidents/lost work days and are per 200,000 working hours.*

INFICON's long-term success as a high-tech Company active in a competitive marketplace relies on its competent staff. We are therefore always looking for the best available person for any job opening and seek to create the right mix of people, technical capabilities, and human competence across our Group. INFICON's employment policies and procedures provide for equal opportunity and fairness in employment decisions. We do not discriminate based on race, color, ancestry, place of origin, religious belief, physical or mental disability, age, gender, sexual orientation, marital status, family status or source of income, and we take steps to comply with all applicable affirmative action legislation. Since 2021, INFICON job offers explicitly invite diverse, female, and male applicants.

INFICON's workforce is very diverse in terms of nationalities: 13 different nationalities of our employees working at our Balzers/LI location. Also at the other major production sites in Cologne and Syracuse, our colleagues have widespread national backgrounds.

Against the backdrop of our diverse global workforce, the so-called "I3C Initiative" helps create a common INFICON approach and understanding in working together. Launched five years ago, the I3C initiative (Care, Commit, and Change) promotes the following key understandings:

- We care about our customers, our Company, and ourselves.
- We commit to accept responsibilities.
- We change to deliver better results.

In the context of this I3C initiative, a continued focus lies on how INFICON colleagues interact with each other. Tent-cards on the tables of meeting rooms remind everyone that it is essential to formulate requests

clearly and help colleagues understand why the request was made and by when an answer is expected. This has added a lot of commitment and accountability to internal business requests and speeded up reaction time.

We also endeavor to ensure that all employees are treated fairly in all aspects of the employment relationship, including performance appraisals, compensation, opportunities for advancement, and disciplinary matters. While INFICON supports a gender diverse personnel policy, the nature of our technology driven business may serve as a reason why the workforce, the Executive Management, and the Board of Directors consist of more men than women. The age split shows that all age groups are well represented in INFICON's workforce, more evenly spread on a staff level, while Management and Board have higher average ages.

In 2022, no discrimination incidents were reported throughout the Group.

Composition of workforce

All numbers in Headcount	2021	Share	2022	Share
Employees (excl. apprentices, interns, trainees, externals)	949	96%	1,091	97%
Apprentices, interns, trainees, externals	40	4%	31	3%

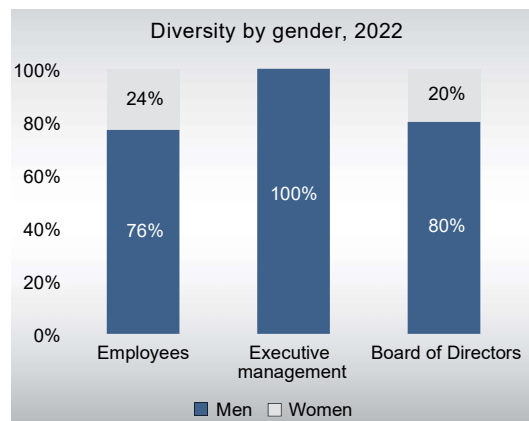
Employees by employment contract (excl. apprentices, interns, trainees, externals)

Permanent	860	91%	1,056	97%
Fixed-term	89	9%	35	3%

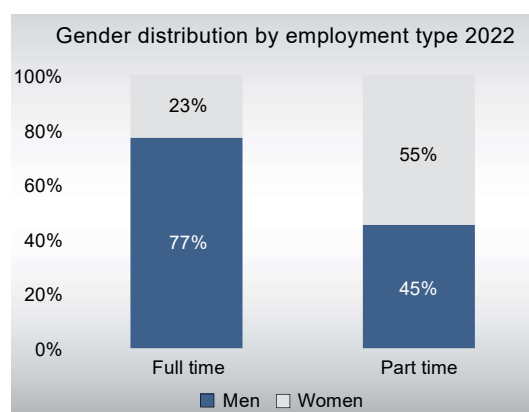
Employees by employment type (excl. apprentices, interns, trainees, externals)

Full time	896	94%	1,034	95%
Part time	53	6%	57	5%

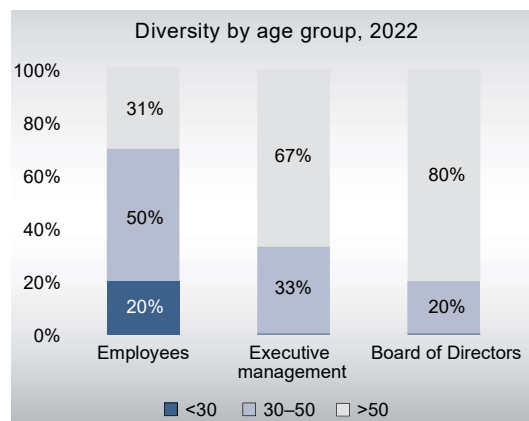
The data covers our 4 largest sites: the 3 competence centers Balzers (LI), Cologne (DE) and Syracuse (USA) as well as our production site in Aaland (FI)



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Excl. apprentices, interns, trainees, externals

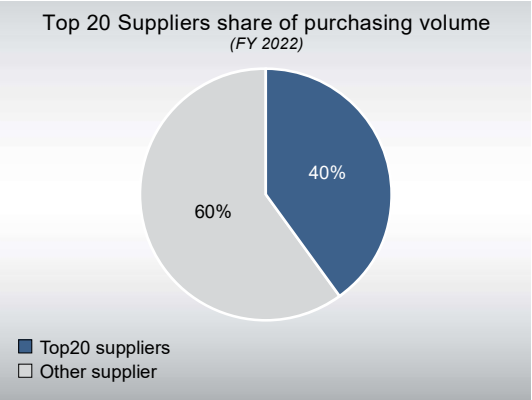
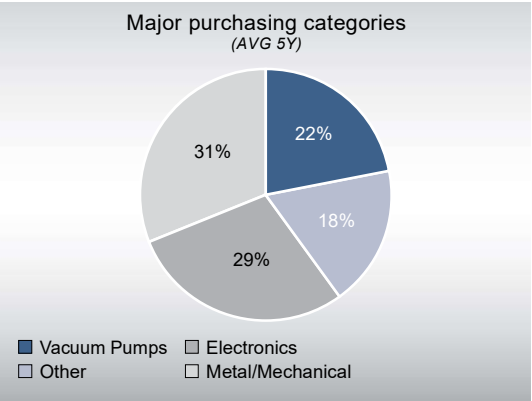
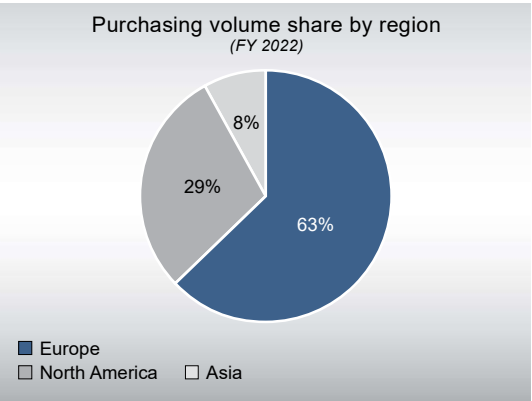
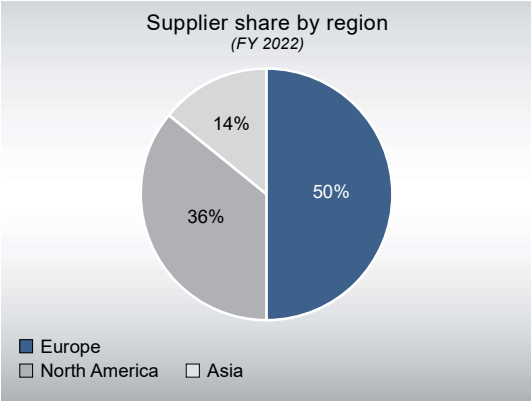


The data covers our 4 largest sites: the 3 competence centers Balzers (LI), Cologne (DE) and Syracuse (USA) as well as our production site in Aaland (FI)

Responsible supplier standards

The close cooperation with suppliers is the backbone of INFICON's flexible manufacturing model. INFICON therefore devotes a lot of attention to the careful selection, the ongoing management and continuous development of our suppliers. Key suppliers have e.g., signed an agreement outlining INFICON's expectations regarding requirements on the production change control process (CE/CC). We also include vital elements such as the prevention of child or forced labor in our supplier contracts. Compliance with our business ethics policy is a standard topic at our regular supplier meetings.

INFICON's supplier base of over 1000 production material suppliers is truly global. Yet, the largest 20 suppliers make up for about 40% of INFICON's sourcing. Looking at the regional split of our suppliers, most of INFICON's direct suppliers come from Europe (50%), followed by North American (36%), and Asian suppliers. This view, obviously, looks at the actual invoicing addresses of the tier 1 suppliers and does not reflect tier 2 and 3 contractors. The proportion of material and components originally manufactured in Asia is certainly higher at INFICON than this regional split or the purchasing volume analysis suggest. 63% of the sourcing volume is coming from Europe and here mainly from Germany and Switzerland, 29% from America, and 8% from Asia. 49% of INFICON's sourced input concerns electronic, mechanical, or metalworking items, while pumps account for 22%, and printed circuit boards for 11%.



Partner to our hosting communities

INFICON also cares for the communities of its employees. As a corporate citizen, we support many local activities where our colleagues eagerly participate e.g., the yearly cycle to work contest. For years, the Balzers workforce regularly ranks in the top three positions of the Liechtenstein companies whose workers manage to cycle to work on more than 50% of the summer period.

INFICON AG, Balzers, also supports a soccer team made up from INFICON colleagues who compete against other corporate teams of local companies.

Besides our commitment to the training of young colleagues and the ongoing education of our own workforce, we support e.g., in the Principality of Liechtenstein special out-of-school weeks for students. INFICON annually hosts a whole class for one week in a special business-oriented course where the students familiarize themselves with economy, business, and management. In addition, INFICON sponsors the work on a bachelor thesis at a local university of applied sciences in south-eastern Switzerland.

In the USA, INFICON supports not-for-profit organizations that are dear and important to our employees and the local community. A voluntary team of some eight employees forms a Council that manages the corporate budget for charitable contributions. This involvement provides opportunities for INFICON colleagues to do voluntary work with the Samaritan Center, the Salvation Army, the Humane Association and others, or to participate individually in walks, runs, or bike-a-thons.

Environmental protection

Environmental protection, safety and product stewardship have long been key priorities at INFICON. INFICON engages in many efforts to reduce any negative impact of its business. These measures have often multiple effects – in terms of health and safety benefits for the employees, minimization of environmental damage, and the quality of our products and services.

Environmental management system

All manufacturing sites adhere to ISO 14001:2015. According to this ISO release, all manufacturing locations are required to analyze their risks and opportunities with respect to environmental performance in a systematic way, to minimize their ecological risks, and to identify any corresponding need for action. The manufacturing facilities are themselves in charge of setting priorities and implementing the actions they deem necessary. The environmental managers at each location have created teams and programs to monitor, analyze and minimize energy consumption and other aspects detrimental to our carbon footprint. We monitor progress yearly. Created in 2020, the “Green Team” in Syracuse aligned its activities in 2022 with the global INFICON initiatives. Special attention lay in 2022 on the materials and waste analyses, water and effluent initiatives, energy and emission, as well as biodiversity. At Syracuse, the campus lawn is now being converted into a biologically more valuable habitat to increase bird habitat, reduce heavy rainwater run-offs, reducing landscaping expenses. Currently, we evaluate the use of engineered floating island reactors to promote the natural self-cleaning capacities of our ponds. We have also found out that the new aspect of the campus is more inspiring for employees during their breaks.

To increase the visibility and importance of INFICON's sustainability efforts for all employees, we created special steering committees e.g. at the Syracuse works. This body, led by a dedicated sustainability manager who serves as point of contact, sees to it that sustainability is incorporated into the local strategies and measures are aligned with corporate goals, that teams are held accountable for progress in this area and that the momentum of the efforts is kept high, that all levels are directed onto a shared sustainability path. The team has started in 2022 to use a Kanban board to formalize, support and better visualize and prioritize the respective project management initiatives. One of the key priorities in 2022 was the efficient data collection. We currently evaluate software to best connect to corporate data portals to support the compilation of environmental data. Internally, the importance of sustainability is highlighted by educational activities such as a new speaker series, the dissemination of internal media posts, and the creation of a confluence page to more easily disseminate information.

Environmental compliance

All manufacturing facilities observe and comply with international and regional legislation, as well as guidelines. All critical suppliers have to sign quality and environmental agreements that they comply with all environmental laws. The Company observes the European Union's regulation on chemicals and their safe use (Registration, Evaluation, Authorization and Restriction of Chemicals-REACH). INFICON complies with the European Union's directive on the Restriction of Hazardous Substances (RoHS) addressing the use of certain hazardous substances in electrical and electronic equipment. We monitor the list substances of very high concern (SVHC Candidate List), and focus in the US on so called conflict materials (CMRT, EMRT, TSCA). In addition, INFICON also observes the standards set out in the code of conduct of the Responsible Business Alliance (RBA) – a non-profit coalition of leading electronics companies dedicated to sustainability and improving corporate social responsibility. INFICON also completed a RBA audit in 2022 to keep abreast with the latest developments in this area. Moreover, the Company observes the UN Security Council Report S/2006/525 regarding "conflict minerals". INFICON has realized that there are more and more regulations to be observed and is aware of new emerging regulations and reportings. We are currently assessing of how to best tackle these challenges on a Group-wide level, rather than dealing with these issues on a site per site basis.

INFICON did not encounter any non-compliance with environmental laws in 2022.

Energy and carbon emissions

Since the first implementation of ISO 14001 as early as 1998, INFICON closely monitors and analyzes resource consumption and emissions. Our main environmental impacts and efforts relate to energy consumption and CO₂ emissions and we strive for in-house reductions of CO₂ emissions, a decrease in resource consumptions and a lowering of our ecological footprint.

While INFICON grew sales by 12.7%, it managed to cut its overall energy consumption by 6% to 14,474 Mwh. This impressive reduction was achieved by important refurbishing projects at various production locations and thus the direct outcome of INFICON's focus on the areas of improvement defined in the prior year. One target was to energetically improve our production buildings.

Electricity is the most important energy carrier at INFICON, accounting for 81.6% of the Group wide energy consumption. Therefore we agreed – as a second important goal for the reporting year – to increase the share of electricity from renewable sources.

The combined effect of these efforts and numerous contributions from other, smaller projects such as the installation of PV panels on roof tops or better building insulations, allowed INFICON to curtail the total greenhouse gas emission by 59% to just 502 tons for the reporting year. In the prior year, the CO₂ emissions were already cut by 30% Group wide. Per employee the reduction reached in 2022 is 65%.

A strong focus on waste, looking for ways to avoid the generation of waste in the first place, and continued recycling efforts resulted in a total waste reduction of 23% to 295.8 tons.

These reductions are all even more impressive when mirrored against the Group wide sales growth of 16.8%, excluding negative currency effects

After much analysis and discussion, we have defined the following areas as important and highly relevant, and therefore as the priority target action areas:

Green electricity: We have converted all major production sites to 100% certified green electricity. In 2021 already 51% of electricity came from renewable sources, as all major production sites in Europa had switched to 100% renewable electricity. In the reporting year, we managed to source 100% green electricity also for our Syracuse/New York plant, which utilizes 100% carbon-emission-free, certified green electricity and accordingly rising the quote of green electricity now to 81%.

In Finland, solar panels produce electricity on the roofs of our facilities.



Main building for production & offices with the new solar panels on the roof, INFICON Aaland (FI)

Optimized Buildings, technical installations, premises: Our production and office buildings offer many interesting angles to promote sustainability, reduce energy consumption and emission of greenhouse gases.

In 2022, INFICON AG/Balzers installed a new HVAC system including an energy recovery system. It allowed INFICON to cut the local energy consumption for heating by half in 2022 and should allow for savings of up to 90% when the system is running for a full calendar year. We achieved this by replacing an already environmental friendly, district wood chip heating with a new system that recuperates the heat generated by the production equipment to heat the whole building. Rather than getting rid of excess heat, we now use it. For the reporting year 2022, this effort resulted in a drastic reduction of the local kWh consumption for heating and cooling from 432032 kWh to less than half, i.e. 204606 kWh, bearing in mind that the new system was only running during a portion of the year, the savings for a full year should be even bigger. We estimate that we will use up to 90% less energy for heating and cooling in the years ahead.

In addition, a new closed-loop cooling water concept for the laboratories and production shop floors should result in a significantly lower water consumption.



Views of the new HVAC facility, Balzers (LI)



Views of the new HVAC facility, Balzers (LI)

In the USA, motion detecting occupancy sensor power strips have been rolled out in the laboratories. These intelligent power strips virtually take appliances off when no motion is detected in the preset shut down period. Conventional lighting is gradually replaced with energy-efficient, motion sensor controlled LED lighting solutions. Water usage surveys led to the installation of water-less urinals and the evaluation of alternative water sources such as hydropanels that condensate moisture from the air.

At Syracuse, the campus lawn is now being converted into a biologically more valuable habitat to increase bird habitat, reduce heavy rainwater run-offs, reducing landscaping expenses. Currently, we are evaluating the use of engineered floating island reactors to promote the natural self-cleaning capacities of our ponds. We have also found out that the new aspect of the campus is more inspiring for employees during their breaks.

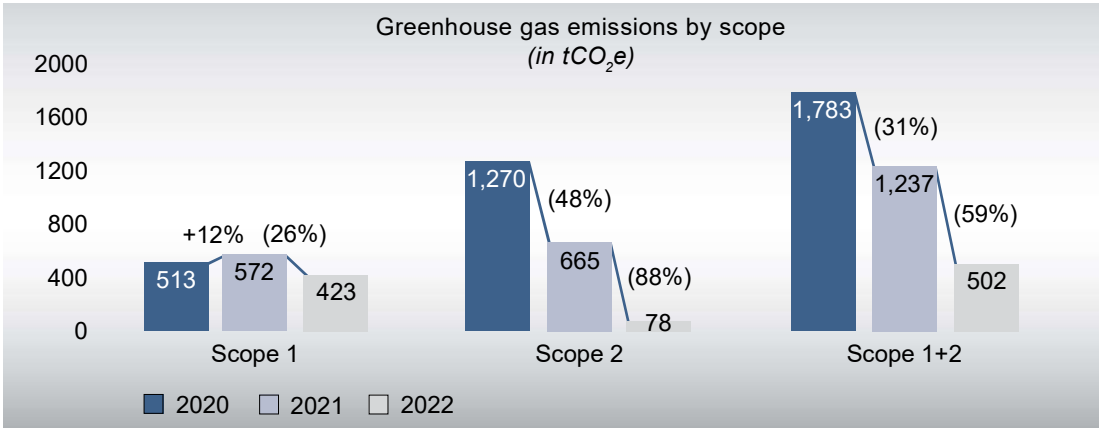
Commuter traffic and business trips: Knowing that many issues cannot be tackled individually, INFICON AG, Balzers, has teamed up with other local industrial companies to highlight the need of a new train Swiss Railway train station close to Balzers, Liechtenstein. INFICON will cover some of the costs of the establishment of this new train stop at Trübbach as this will allow commuters from the Swiss Rhine Valley to commute more comfortably to work by public transport.

Also in the USA, we look at how our employees come to work: Another focus lay on promoting more environmental friendly ways to commute to work. INFICON colleagues now have access to a share-a-ride platform with other companies. The benefits are obvious: less people travel by themselves. This fosters a community feeling. More people can relax during the commute rather than focusing on the traffic behind the wheel. Fewer cars on the road reduces gasoline consumption.

Short-term, our goal is to focus on the following areas:

- Plans for further improvements in production buildings are analyzed and developed within the strategy development and review/budget process (e.g. energy recovery, geothermal and solar energy, thermal insulation).
- Scope 3 Emissions: Understanding, testing feasibility and implementation, and first attempt/trials at assessing all indirect greenhouse gas emissions in the value chain.
- Development of a target setting (KPI) and emission goals definition process
- Create, Care, Live and Sustainability as an enabler to support our strategic initiatives and growth plans. E.g.
 - Globalize sustainability education efforts
 - Define global on-boarding training and seminars that include INFICON's sustainability goals & principles.
- Review of mobility concepts, support the programs and the needed infrastructure, promote commuting by car-sharing or using public transport where possible.

Experience and skills gained during the pandemic continue to be the basis to keep business travel at a reasonable level. In this way, we support the global goals for reducing CO₂ emissions.



We will also closely follow the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) for Swiss companies and the EU taxonomy regulations. We will follow and watch the various regional and local developments and requirements examine their implementation and, if necessary, address them step-by-step.

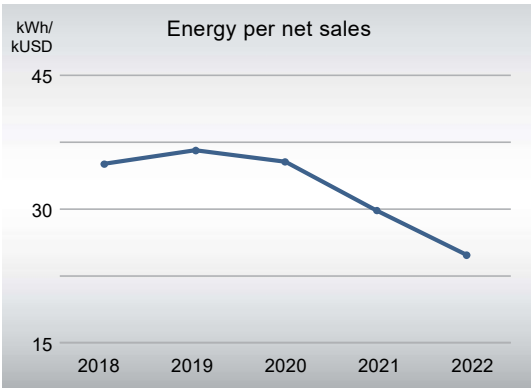
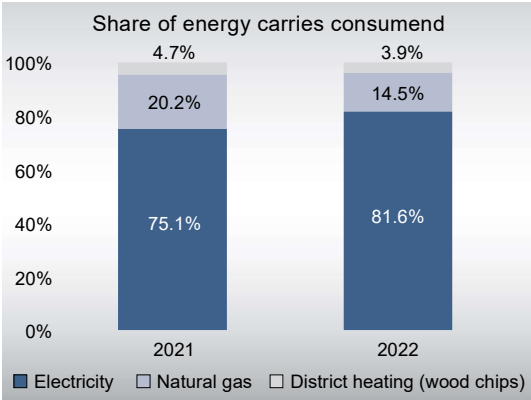
To support these sustainability goals the individual goals for 2023 of the Group Management also include the above described sustainability ambitions and goals.

To strengthen its sustainability approach, the Board has already defined a dedicated representative for ESG and sustainability matters in 2020 in the person of Dr. Richard Fischer. Furthermore, it has already been decided that a Sustainability Council consisting of 3 persons (two Board members and Group Management) will be established in 2023. The council will define roadmap, reviews targets, studies the regulatory developments in the ESG area and supports the Audit Committee in non-financial reporting.

Energy and Emission

	2020	2021	2022	Delta 2022- 2021
Total energy consumption in MWh	14,024	15,429	14,474	(6%)
Electricity	10,691	11,591	11,812	2%
of which certified green electricity	25%	51%	81%	
Natural gas	2,788	3,110	2,093	(33%)
District heating (wood chips)	544	729	570	(22%)
Energy consumption in kWh per employee	15,828	15,601	12,675	(19%)
Greenhouse gas emissions in tCO₂e	1,783	1,237	502	(59%)
Scope 1: Natural gas	513	572	423	(26%)
Scope 2: Electricity & district heating	1,270	665	78	(88%)
Greenhouse gas emissions in kgCO₂e per employee	2,012	1,251	439	(65%)

2022 and 2021 data in the above table covers Inficon's Big 4 locations: Balzers in Liechtenstein, Syracuse in the USA, Cologne in Germany, and Aaland in Finland. The 2020 data covers Inficon's Big 3 locations: Balzers in Liechtenstein, Syracuse in the USA and Cologne in Germany. Data is calculated on a market-based approach. For the location-based method Scope 2 emissions count 1,562t for 2022, 1,786t for 2021 and 1,660t for 2020. Emission factors sourced from DEFRA 2022 and IEA 2022 and domestic electricity providers.



The data covers our 4 largest sites: the 3 competence centers Balzers (LI), Cologne (DE) and Syracuse (USA) as well as our production site in Aaland (FI)

Due to the COVID-19 pandemic, the amount of business travel decreased in 2021 and 2022. INFICON adopted augmented and virtual reality strategies to best interact with customer over distance. Management meetings were held online. Many investor meetings were held online.

Waste	2021	2022	Delta
Total waste in metric tons	386	296	(23%)
Waste diverted from disposal through recycling	206	138	(33%)
Waste directed to disposal	181	158	(13%)
Incineration with energy recovery	173	157	(9%)
Other disposal operations	8.0	0.3	(97%)

The data covers our 4 largest sites: the 3 competence centers Balzers (LI), Cologne (DE) and Syracuse (USA) as well as our production site in Aaland (FI)

INFICON has initiated comprehensive refurbishing and shop floor expansion programs at its Syracuse and Balzers plants.

INFICON promotes a holistic view on waste: We conduct educational sessions focusing on waste and other sustainability issues to make people more aware about what each individual can do. Waste stream analyses at various production sites has resulted in the collection of single-type material waste such as e.g. clean room shoe covers. In Syracuse, we have directed 2,800 pounds of used cleanroom covers to single-material PPE recycling. We have also started to compost food waste and coffee grounds from our cafeterias. In order to increase the efficiency of our local sustainability efforts, we have created bespoke points of contacts and functions that deal with these issues. This increases the speed of implementation and relieves the burden on production and facility management teams.



The Global Reporting Initiative (GRI) provides the world's most widely used framework for sustainability reporting, offering a structured format to share information coherently and comprehensively about material issues, performance metrics and the management of sustainability-related issues.

GRI Content Index



CONTENT INDEX
ESSENTIALS SERVICE

2023

INFICON has reported in accordance with the GRI Standards for the period from 01 January 2022 to 31 December 2022. INFICON has not made any restatements in the reporting period that follows the requirements set out in the GRI Standards requirements. For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index is presented clearly and in a manner consistent with the Standards, and that the references for disclosures 2 – 1 to 2 – 5, 3 – 1 and 3 – 2 are aligned with the appropriate sections in the body of the report. This service was carried out on the English version of the report.

Universal Standards

GRI Standard	Disclosure	Location/Information	Omission Requirement(s) omitted (RO) Reason (R) Explanation (E)
GRI 1: Foundation 2021			
GRI 2: General Disclosures 2021			
The organization and its reporting practices			
GRI 2: General Disclosures 2021	2-1 Organizational Details	14	
	2-2 Entities included in the organization's sustainability reporting	70	
	2-3 Reporting period, frequency and contact point	Fiscal year 2022, annually Contact: Matthias Tröndle, Vice President and CFO INFICON HOLDING AG, Hintergasse 15 B CH-7310 Bad Ragaz, Switzerland Tel. +41 81 300 4980 Fax +41 81 300 4988 E-mail: matthias.troendle@inficon.com	
	2-4 Restatements of information	none	
	2-5 External assurance	none	
Activities and workers			
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	40–44	
	2-7 Employees	51	
	2-8 Workers who are not employees	51	

GRI Standard	Disclosure	Location/Information	Omission Requirement(s) omitted (RO) Reason (R) Explanation (E)
Governance			
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	16, 21, 51	
	2-10 Nomination and selection of the highest governance body	16, 21, 51	
	2-11 Chair of the highest governance body	16	
	2-12 Role of the highest governance body in overseeing the management of impacts	17	
	2-13 Delegation of responsibility for managing impacts	17	
	2-14 Role of the highest governance body in sustainability reporting	17	
	2-15 Conflicts of interest	21, 39	
	2-16 Communication of critical concerns	24	
	2-17 Collective knowledge of the highest governance body	18	
	2-18 Evaluation of the performance of the highest governance body	26	
	2-19 Remuneration policies	26	
	2-20 Process to determine remuneration	26, 27	
	2-21 Annual total compensation ration	31	
Strategy, policies and practices			
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	34	
	2-23 Policy commitments	40, 54	
	2-24 Embedding policy commitments	47	
	2-25 Processes to remediate negative impacts	53	
	2-26 Mechanisms for seeking advice and raising concerns	36	
	2-27 Compliance with laws and regulations	40, 49, 54	
	2-28 Membership associations	38, 53	
Stakeholder engagement			
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	34, 36	
	2-30 Collective bargaining agreements	Collective bargaining agreements exist in Germany and Sweden (about 19% of work force).	

Topic-specific Standards

GRI Standard	Disclosure	Location/Information	Omission Requirement(s) omitted (RO) Reason (R) Explanation (E)
GRI 3: Material Topics 2021			
Materiality assessment and list of material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	35	
	3-2 List of material topics	35	
Technology leadership			
GRI 3: Material Topics 2021	3-3 Management of material topics	38, 39	
Product impact			
GRI 3: Material Topics 2021	3-3 Management of material topics	46, 47	
Product quality and compliance			
GRI 3: Material Topics 2021	3-3 Management of material topics	45	
Customer relations			
GRI 3: Material Topics 2021	3-3 Management of material topics	45	
Good governance			
GRI 3: Material Topics 2021	3-3 Management of material topics	39	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	40	
	205-2 Communication and training about anti-corruption policies and procedures	40	
	205-3 Confirmed incidents of corruption and actions taken	40	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior	40	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	40	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk of incidents of forced or compulsory labor	40, 52	
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	49	
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	37, 46	
	404-3 Percentage of employees receiving regular performance reviews	48	

GRI Standard	Disclosure	Location/Information	Omission Requirement(s) omitted (RO) Reason (R) Explanation (E)
Attractive employer			
GRI 3: Material Topics 2021	3-3 Management of material topics	47	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	48	
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	49	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	50	
	403-2 Hazard identification, risk assessment, and incident investigation	50	
	403-3 Occupational health services	49	
	403-4 Worker participation, consultation, and communication on occupational health and safety	49, 50	
	403-5 Worker training on occupational health and safety	49–51	
	403-6 Promotion of worker health	49–51	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	49	
	403-9 Accidents and day lost	50	
Diversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	51	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	51	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	51	
Responsible supplier standards			
GRI 3: Material Topics 2021	3-3 Management of material topics	52	
Market leadership			
GRI 3: Material Topics 2021	3-3 Management of material topics	42	
Environmental management system			
GRI 3: Material Topics 2021	3-3 Management of material topics	53	

GRI Standard	Disclosure	Location/Information	Omission Requirement(s) omitted (RO) Reason (R) Explanation (E)
Efficient materials sourcing and use			
GRI 3: Material Topics 2021	3-3 Management of material topics	58	
GRI 306: Waste 2020	306-3 Waste generated	58	
	306-5 Waste directed to disposal	58	
Profitable growth			
GRI 3: Material Topics 2021	3-3 Management of material topics	40	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	35	
Energy and carbon emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	54	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	57	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	56, 57	
	305-2 Energy indirect (Scope 2) GHG emissions	56, 57	
	305-5 Reduction of GHG emissions	55	
Environmental compliance			
GRI 3: Material Topics 2021	3-3 Management of material topics	54	
Community and giving			
GRI 3: Material Topics 2021	3-3 Management of material topics	37	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	37	