

KUDELSKI GROUP REPORT ON NON-FINANCIAL MATTERS 2024



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The image features a modern glass building facade that reflects a clear blue sky with a few white clouds and a green tree on the right side. The building's structure is composed of a grid of dark frames holding large glass panels. A solid red horizontal bar is positioned at the bottom of the image, partially overlapping the building's reflection. The overall composition is clean and professional, suitable for a business-related presentation.

BUSINESS MODEL AND STRATEGY

CHAIRMAN'S LETTER

ANDRÉ KUDELSKI CHAIRMAN AND CHIEF EXECUTIVE OFFICER



In a rapidly changing world, the Kudelski Group remains steadfast in its commitment to the key principles that have guided our development since our founding in 1951. Innovation, responsibility and sustainability have long been at the heart of our company, shaping both our business decisions and the impacts we strive to make in the world.

From the very beginning, our founder, Stefan Kudelski, emphasized energy efficiency and social responsibility—values that were ahead of their time but are now more important than ever. Over the past 74 years, we have continuously optimized the environmental footprint of our products and solutions. From the first Nagra recorders designed with very low power consumption to our ongoing commitment to high-quality digital technologies, sustainability has always been embedded in our development philosophy. This extends beyond our products to our workplace infrastructure, including our continued investment in renewable energy, such as the solar panels that help power our headquarters in Switzerland.

Our commitments are not only about the environment. We also remain deeply committed to social responsibility, fostering equal opportunities and creating positive impacts in the communities where we operate. Through employee training, apprenticeship programs, and respectful labor practices, we actively promote a work environment that encourages talent development and creates a positive workplace culture—not just within the Kudelski Group, but also among our customers, suppliers, and partners.

In 2024, we took a major step forward in our transformation by refining our strategic focus on digital security. Our new structure enhances the efficiency, coherence and sustainability of our operations. By concentrating on our core expertise—securing digital interactions across media, cybersecurity, and IoT—we can innovate more rapidly, reduce complexity and strengthen our ability to protect our customers and their data, while at the same time becoming a more effective steward of our own resources.

As a leader in digital security, we recognize the transformative power of technology in addressing today's global challenges. From combating cyber threats and securing critical infrastructure to preventing piracy and intellectual property theft, we remain committed to using our expertise to create positive change. This includes actively contributing to public-private partnerships, research initiatives, and strategic industry collaborations that seek to improve both security and sustainability for the future.

Of course, none of this would be possible without a strong ethical foundation. Integrity has always been at the core of the Kudelski Group. We uphold the highest standards of governance, ensuring compliance with our ethical values and regulatory requirements, including

fostering a culture of ethical responsibility across all aspects of our business. How we conduct our business has always been an important part of who we are as a company.

Looking ahead, we remain dedicated to advancing our sustainability commitments, knowing that global challenges require collective action and continuous innovation. By strengthening our core business and sustainability initiatives, we aim to make a lasting, positive change on society and the environment.

I want to sincerely thank our employees, customers, partners, and stakeholders for their continued support. Their dedication and shared commitment to sustainability inspire us to push forward and contribute to a better future.



“By strengthening our core business and sustainability initiatives, we aim to make a lasting, positive change on society and the environment.”

KUDELSKI GROUP AT A GLANCE

A worldwide presence to help people
protect their digital future



Key figures

1854 employees

20 countries

400+ million daily users

USD 393.0 million revenue

Segments of activity

- Core Digital Security
- Cybersecurity
- Internet of Things





WHO WE ARE

THE TRUST ENGINEERS

We seek to build trust among human relationships through the digital security solutions we design and deliver. We believe in innovation to bring the most effective protection to support people in their daily activities. We are dedicated to designing a safer future.



WHAT WE DO

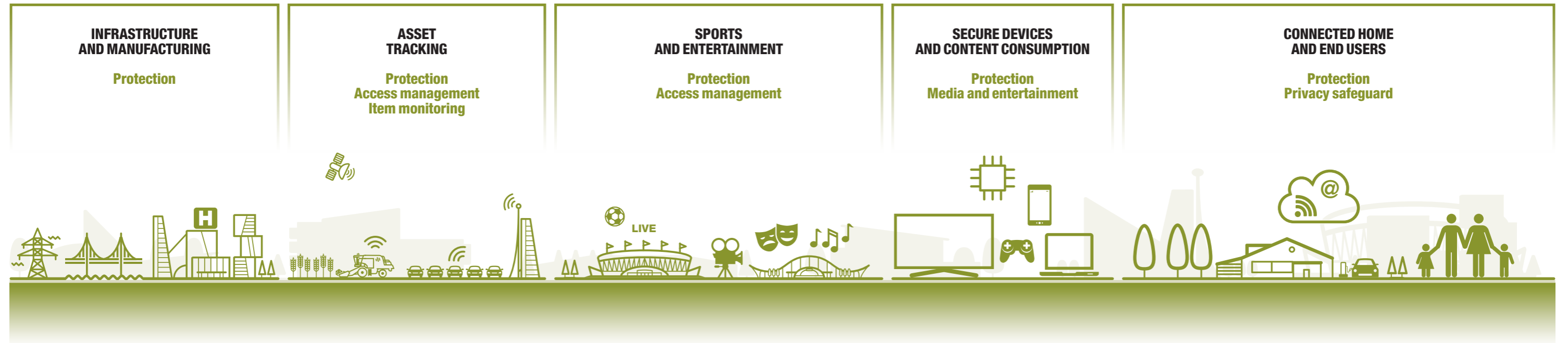
WE PROTECT THE DIGITAL LIVES OF MILLIONS OF USERS WORLDWIDE

We aim to positively impact society by simplifying and securing lives. Our cybersecurity services protect data and combat cyber-attacks, while our media solutions shield creators from piracy and enhance user experiences. In the realm of Internet of Things, we secure devices and enable asset tracking.

These innovations provide peace of mind and secure access to critical applications, fueled by the passion and dedication of Kudelski Group employees.



BUSINESS MODEL AND PRODUCTS



Cybersecurity

- Protecting infrastructure
- Protecting IT and OT systems
- Securing data and transactions
- Expert advice to authorities and businesses
- Developing quantum-resistant solutions
- Optimizing cloud energy consumption



Internet of Things

- Securing connected devices
- Helping people find stolen and lost assets
- Securing chipsets and semiconductors*
- Protecting infrastructure*
- Developing quantum-resistant solutions*



Digital Television

Until end of 2024

- Protecting creativity, copyright and content*
- Fighting against piracy*
- Broadcast access and security*
- Protecting automated smart homes*
- Protecting privacy*
- Providing chip security*



Core Digital Security

As of 2025

- Protecting creativity, copyright and content
- Fighting against piracy
- Broadcast access and security
- Protecting automated smart homes
- Protecting privacy
- Providing chip security
- Securing chipsets and semiconductors
- Protecting infrastructure
- Developing quantum-resistant solutions



* Beginning in 2025, these activities were moved to Core Digital Security as part of a business transformation undertaken by the Group.



SUSTAINABILITY AT THE KUDELSKI GROUP

ABOUT THIS REPORT

This sustainability report was produced in accordance with Art. 964a et seq. of the Swiss Code of Obligations, including the Swiss Ordinance on climate disclosures. The sustainability report was approved by the Kudelski Group Board of Directors on March 31, 2025 and will be submitted to the Ordinary General Meeting for approval on April 17, 2025.

Information about the company name, registered office, share capital and holdings owned by non-listed Group companies included in the scope of consolidation and covered by the report is shown on pages 32 and 68 of the Kudelski Group's 2024 Financial Statements.

The scope of the report has changed since the Report on Non-Financial Matters 2023. Unlike the 2023 report, the work carried out for this 2024 report does not include SKIDATA, which was sold in September 2024.

SUSTAINABILITY

The Kudelski Group reviewed its sustainability path and structure after the sale of SKIDATA in fall 2024. Given the time available, the focus has been on the biggest ESG issues and challenges. From 2025, a steering committee will oversee all ESG governance and a structure will cover all the Group's businesses. In-depth work will continue with the implementation of audits and stakeholder interviews, the formalization of sustainability policies and the completion of a roadmap with objectives for 2030.

HOW THE WORK IS DONE

In 2024, the Audit committee of the Kudelski Group designated one of its members to support the effort on ESG matters for the Group. A Sustainability Team has been created including an ESG coordinator/officer, external consultants and employees in each department and within the most significant consolidated companies of the Group. In order to identify and address the ESG matters of the Group, sustainability workshops were carried out in 2024.

This resulted in a stakeholder analysis, value chain, double materiality matrix and the ESG risks, the methodology of which is described below.

Methodology

ESG matters were identified by analyzing the value chain. Analysis of stakeholders' expectations confirmed these issues, whose impact was assessed using the Double Materiality Matrix. This led to the ESG Risk Analysis.

Stakeholders analysis

The Stakeholders Analysis was necessary to implement a sustainability strategy in line with the expectations of our stakeholders. In 2024, we conducted an internal materiality assessment to identify the most important topics to our stakeholders to define the foundations for our approach. In 2025, we plan to interact with our employees and selected suppliers, partners and customers as a means of assessing the important topics identified in the stakeholders analysis and in the double materiality matrix.

Value chain

The Value Chain analysis was conducted internally with employees with a wide and/or specialized understanding of the Kudelski Group stakeholders, businesses, products and services and with outside consultants specialized in ESG matters. The value chain analysis included the review of a series of activities/processes that the organization performs to deliver its products and services to their customers as well as the activities of its stakeholders. Each division and the corporate needs have been reviewed. One value chain for the entire Kudelski Group was defined.

Double materiality matrix

The objective of the Double Materiality Matrix was to emphasize both the positive/negative impacts of the Group on stakeholders/environment and how these issues affect business operations. It was carried out through discussions with employees with a wide and/or specialized understanding of the Kudelski Group's stakeholders, businesses, products and services and experts in ESG matters.

By mapping out the ESG factors in this way, the Kudelski Group identified critical areas to focus on, evaluated risks and opportunities, and better defined their sustainability priorities. This matrix guides decision-making in reporting and strategic planning. Overall, the matrix supports the company in becoming more sustainable while aligning its goals with broader societal and environmental considerations.

Sustainability Challenges have been linked to the 17 Sustainable Development Goals (SDGs), and those on which the Group has a significant impact appear at the beginning of each of the 4 chapters of Sustainability Challenges in this report.

In the Double Materiality Matrix, these two dimensions were plotted on a two-axis grid:

- X-axis (Financial Impact): This axis measures how much a particular ESG issue can influence the company's financial health, such as profitability, risk exposure, or stock value.
- Y-axis (Impact on Stakeholders/Environment): This axis evaluates how much the company's activities affect the environment, society, or other stakeholders, such as communities, ecosystems, or labor conditions.

ESG risks

The purpose of the ESG risk analysis is to understand, on one hand, the organization's level of exposure to ESG risks and, on the other hand, the impact of these risks on its value chain. For consistency, this analysis is structured around ESG issues derived from the Double Materiality approach.

Each identified risk has been categorized (risk typology), assessed, and prioritized based on the potential financial impacts it represents for the organization and their probability of occurrence.

A structured and mitigation plan will be formalized starting in 2025. It will be integrated into the sustainability management approach and processes.

The level of risk has been determined based on the likelihood of occurrence and its significance in relation to the Kudelski Group's business and operations.

CO₂ assessment

This report was drawn up in accordance with international standards and the ISO 14064 standard. The identification and acquisition of data on greenhouse gas emissions follow the principles of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (Revised Edition) and ISO 14064-1.

The assessment of the Kudelski Group is based on 2024 reference data, covers the significant entities of the Group (83%) and almost all activities, with the exception of commuter mobility and the Group's digital footprint (to be completed in 2025). The focus has been where the company is able to collect data relevant to the Group's material infrastructure and operations and where there is a possibility of meaningful CO₂. Extrapolations had to be incorporated where data was incomplete.

The 2024 carbon footprint is not yet finalized at the time of publication of this report. Given the nature of our business model, a significant amount of our carbon footprint is expected to stem from Scope 3 emissions. Assessing these emissions, including those linked to digital activities, is challenging. The Group's next objective to achieve on our sustainability path is to complete the analyses in Scope 3 to have a better view of the emissions in this field, including the digital carbon emissions to be able to decide appropriate reduction measures. In the same sense, we are also improving the analysis of our supply chains to strengthen due diligence and improve transparency as much as possible.

STAKEHOLDERS ANALYSIS

STAKEHOLDERS	DESCRIPTION	EXPECTATIONS	INTERACTION
Customers	B2B, B2C and B2B2C	Quality of product and service, long product lifespan, competitive price, office environment, data security and privacy	Regular meetings, press releases, customer evangelism, social media post, newsletters, trade shows
Employees		Flexibility, fairness, information transparency, diversity, safety, positive societal impact	Training, management and evaluation, Q&A, intranet, e-mails, press release, human resources professionals understanding perception versus reality
Suppliers	Suppliers of products, raw materials and services	Long term relationship, competitive price, shared values	Regular meetings, press releases, social media post, newsletters, trade shows
Shareholders and investors		Share performance, dividend, information transparency, long-term focus	Press release, financial result announcements, annual report, annual general meeting
Local communities	Schools, universities, commercial, research and cultural institutions	Investments, contributions, employment and training, sharing expertise	Press release, social media posts, trade shows, job fairs, community projects, apprenticeship programs, partnerships with educational and local institutions, personal dialogue
Regulators and authorities		Compliance, sharing expertise, information transparency, sensitivity towards practical implications	Interact and partner with authorities, press release, information sharing public authorities
Business partners	Industrial actors and associations, technical organizations	Sharing expertise, improve the market, quality of product and service	Meetings, trade shows, newsletter, press release, social media posts, improving the business ecosystem



Resources

- Develop software
- Store data and software (servers)
- Use raw materials
 - Plastic
 - Silicon
 - Lithium
- Produce and use energy

Operations

- Manage employees**
 - Training and awareness
 - Health and safety
 - Well-being
- Manage infrastructure**
 - Building
 - IT park
 - Restaurants
- Manage administration**
- Manage mobility**
- Build the relationship with the community**
 - Partnerships with schools and universities
 - Sharing knowledge
- Information sharing with public authorities
- Partnerships with local institutions

Products and services

- Design and Security**
 - R&D
 - Software development
 - Testing
 - Personalisation
 - Updates/upgrades
- Services**
 - Monitoring
 - Certification
 - SaaS
 - Consulting
- Sustainable by design**
 - Long product lifespan
- Promoting “second lives” for hardware
- Efficient lifecycle management

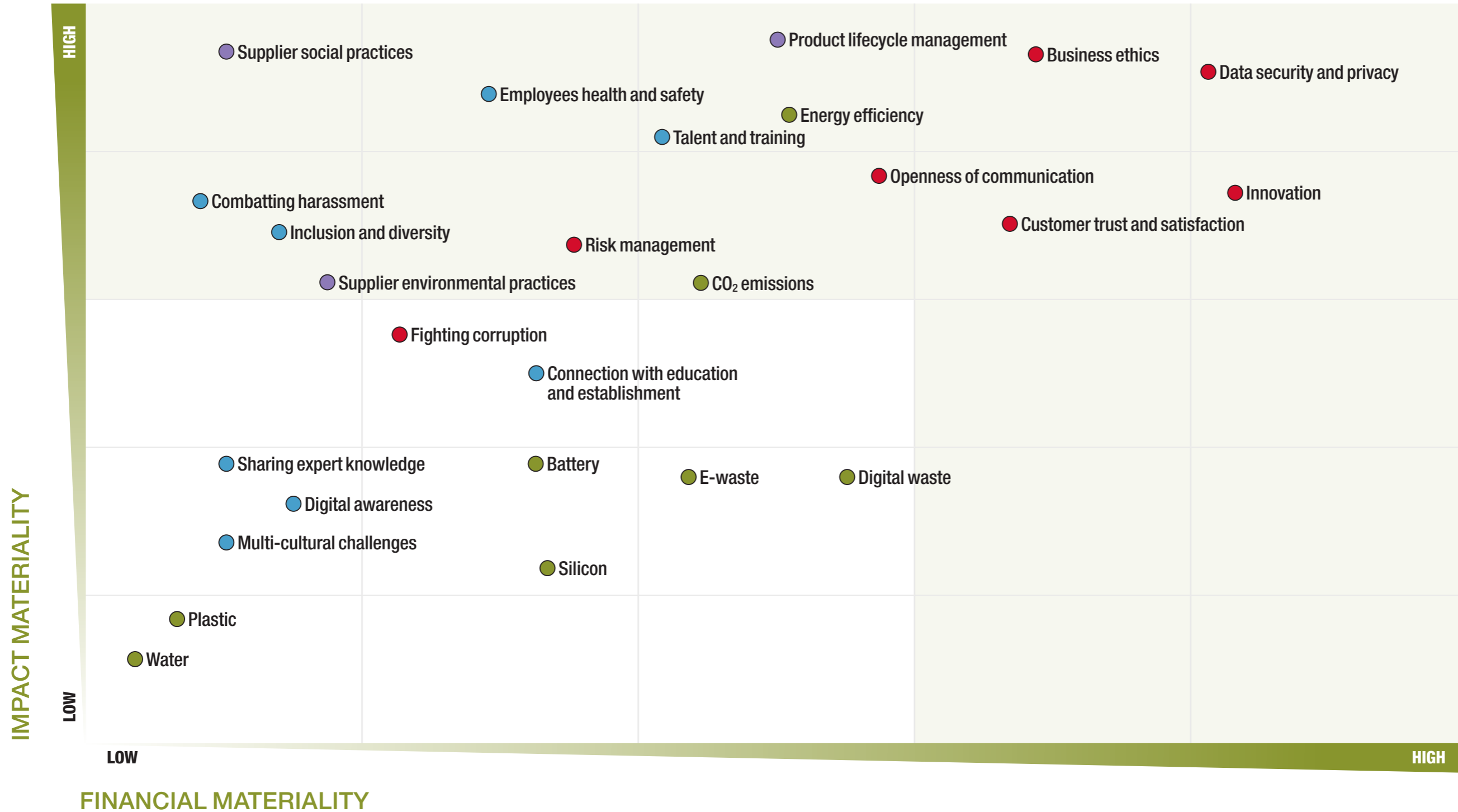
Distribution

- Customer care
- Customer delivery
- Customer training

End of life

- Destroy data (digital waste)
- Eliminate and recycle hardware (e-waste)
- Manage infrastructure waste (internal)

DOUBLE MATERIALITY MATRIX



● Environment
 ● Social
 ● Governance
 ● Sustainable procurement

ESG RISKS

Environment

SUBTHEME	RISK EXPOSURE	RISKS LINKED TO THE ISSUE	TPOLOGY OF RISKS	ACTIONS ALREADY IN PLACE TO MINIMIZE THE RISK	ESG MATERIAL TOPICS
Resource use	●	High resource consumption (e.g., water and silicon for manufacturing) could lead to higher costs, scarcity of the resource and negative impacts on the environment.	- Financial - Operational - Legal/Compliance	- Efficient supplier management	- Water - Silicon - Battery
	●	Micro plastic might harm the environment and human health and require costly mitigation efforts.	- Legal/Compliance - Public relations - Financial	- Ensure compliance - Audit operations and stakeholders	- Plastic
	●●●	Energy supply is limited. Without managing our use appropriately, there is a risk of availability and higher costs.	- Operational - Public relations - Financial	- Meeting energy consumption - Plan reduction of energy consumption	- Energy efficiency
Greenhouse gas	●●●	Increasing regulatory concerns over GHG emissions and energy use, particularly for data centers and Artificial Intelligence, could result in reputational risks.	- Legal/Compliance - Public relations - Financial	- Plan reduction of GHG - Ensure compliance	- Energy efficiency - CO ₂ emissions
Waste management	●●	Accelerated obsolescence of products contributes to growing global e-waste concerns. Improper recycling or disposal might create problematic waste and potentially violate environmental regulations.	- Legal/Compliance - Public relations - Financial - Operational	- Ensure compliance - Audit operations and stakeholders - Manage E-waste	- E-waste
	●●●	The accumulation of online data creates more CO ₂ and is a major consumer of water; cleaning and segregation of data has a significant impact.	- Public relations - Financial - Operational	- Ensure compliance - Audit operations and stakeholders - Manage data destruction	- Digital waste
	●	IoT devices depend on batteries, which pose risks of environmental damage if not managed properly, such as improper disposal leading to toxic leaks.	- Legal/Compliance - Public relations - Financial	- Ensure compliance - Audit operations and stakeholders	- Battery

● Very low ●● Low ●●● Moderate ●●●● High

Social

SUBTHEME	RISK EXPOSURE	RISKS LINKED TO THE ISSUE	TYPOLOGY OF RISKS	ACTIONS ALREADY IN PLACE TO MINIMIZE THE RISK	ESG MATERIAL TOPICS
HR - Management	●●●●	Inadequate employment practices or inadequate employee training in a global, multicultural environment can lead to workforce dissatisfaction, lack of motivation, legal liability, high turnover, talent loss, hindering innovation.	<ul style="list-style-type: none"> - Operational - Strategic - Financial - Legal/Compliance 	<ul style="list-style-type: none"> - Ensure adequate processes and communication - Monitor processes - Propose training 	<ul style="list-style-type: none"> - Talent and training - Inclusion and diversity - Multi-cultural challenges
	●●●●	Operating in diverse regions may expose the company to risks related to cultural misalignment and miscommunication. Insufficient HR protocols and lack of whistleblower protection may lead to high turnover, legal and reputational risks.	<ul style="list-style-type: none"> - Operational - Financial - Legal/Compliance 	<ul style="list-style-type: none"> - Ensure adequate processes and communication - Monitor processes - Propose training 	<ul style="list-style-type: none"> - Talent and training - Employee health and safety - Combatting harassment - Multi-cultural challenges
	●●●●	Managing employee health and safety in the work environment is critical. Any lapses could result in high turnover, legal liability or reputational damage.	<ul style="list-style-type: none"> - Operational - Financial - Legal/Compliance 	<ul style="list-style-type: none"> - Ensure adequate working environment - Implement training 	<ul style="list-style-type: none"> - Employee health and safety - Talent and training
Community impact	●	Insufficient education around benefits and risks of digital security can limit adoption, and lead to loss of customers.	<ul style="list-style-type: none"> - Strategic - Financial - Public relations 	<ul style="list-style-type: none"> - Market analysis - Share knowledge 	<ul style="list-style-type: none"> - Sharing expert knowledge - Digital awareness
	●●●●	Failing to share expertise or train employees could impact talent acquisition.	<ul style="list-style-type: none"> - Strategic - Financial - Public relations - Operational 	<ul style="list-style-type: none"> - Share knowledge - Ensure efficient marketing 	<ul style="list-style-type: none"> - Talent and training - Community outreach

Governance

SUBTHEME	RISK EXPOSURE	RISKS LINKED TO THE ISSUE	TYPOLOGY OF RISKS	ACTIONS ALREADY IN PLACE TO MINIMIZE THE RISK	ESG MATERIAL TOPICS
Openness of communication	●●●	Misleading information—both internal (e.g., employee communication) and external (e.g., investor disclosures)—could create distrust among stakeholders and investors, and lead to high turnover, decline in share price and increased operating costs.	- Public relations - Operational - Legal/Compliance	- Ensure adequate communication and openness	- Quality and efficiency of communication
	●●●	Insufficient risk mitigation (environmental, social, governance) may result in operational and financial vulnerabilities.	- Financial - Strategic - Public relations - Operational - Legal/Compliance	- Ensure compliance	- Risk management
Business values and ethics	●●●●	As a cybersecurity company, ensuring robust data protection is crucial. Data breaches or privacy violations could lead to economic consequences, regulatory action, and reputational damage.	- Financial - Strategic - Public relations - Operational - Legal/Compliance	- Ensure compliance - Audit operations and stakeholders	- Data security and privacy
	●●●	Operating in certain markets exposes the company to corruption risks. Any unethical business practices or weak governance could damage its reputation and trigger economic consequences.	- Financial - Strategic - Public relations - Legal/Compliance	- Ensure compliance - Audit operations and stakeholders	- Business ethics - Fighting corruption
	●●●	Failures in data security, device reliability, or ethical practices can have major economic impacts and erode customer trust. It may also lead to potential fines and reputational damage.	- Financial - Strategic - Public relations - Operational - Legal/Compliance	- Ensure compliance - Ensure efficient marketing	- Customer trust and satisfaction
	●●●●	Suboptimal investment in innovation (strategy, operations and sustainability) to capture new breakthroughs and trends may lead to less competitive advantage.	- Financial - Strategic - Public relations - Technical	- Pursue investment in innovation - Keep company attractive for key employees and new talent - Ensure efficient marketing	- Innovation
Geopolitical evolution	●●●	Risk of instability can lead to loss of customers, market access, reputational risks and increased operating and compliance costs.	- Financial - Strategic - Public relations - Operational - Legal/Compliance	- Monitor the situation and take actions to limit impacts	- Risk management

● Very low ●● Low ●●● Moderate ●●●● High

Sustainable procurement

SUBTHEME	RISK EXPOSURE	RISKS LINKED TO THE ISSUE	TYPOLOGY OF RISKS	ACTIONS ALREADY IN PLACE TO MINIMIZE THE RISK	ESG MATERIAL TOPICS
Supplier environmental and social practices	●●●	The company may face risks if its suppliers fail to comply with environmental or social standards (e.g., human rights violations, resource exploitation).	<ul style="list-style-type: none"> - Financial - Strategic - Public relations - Operational - Legal/Compliance 	<ul style="list-style-type: none"> - Ensure compliance - Audit suppliers 	<ul style="list-style-type: none"> - Supplier social practices - Supplier environmental practices
Supplier portfolio management	●●●	The portfolio quality management practices of suppliers can generate additional costs.	<ul style="list-style-type: none"> - Financial - Strategic - Public relations - Operational - Legal/Compliance 	<ul style="list-style-type: none"> - Monitor supplier portfolio - Ensure compliance - Audit suppliers 	<ul style="list-style-type: none"> - Product lifecycle management - Supplier social practices - Supplier environmental practices
Product lifecycle	●●●●	Artificial obsolescence of products may lead to increased costs, lost customer opportunities and reputational risks.	<ul style="list-style-type: none"> - Strategic - Financial - Operational 	<ul style="list-style-type: none"> - Ensure up to date engineering - Long term strategy 	<ul style="list-style-type: none"> - Product lifecycle management



SUSTAINABILITY STRATEGY

As a leading digital security company operating in the fields of core digital security, cybersecurity, and internet of things (IoT), we play our role in addressing sustainability while driving innovation and growth. The Group's sustainability strategy outlines our commitments across four key areas: Environmental stewardship, Social responsibility, Governance, and Sustainable procurement.

1. Environmental stewardship

Our commitment to sustainability starts with minimizing our environmental footprint. Therefore, we aim to:

- implement energy-efficient practices across software development and data centers;
- offer the possibility to charge electric vehicles onsite when appropriate;
- monitor energy consumption and automate energy optimization including through the use of artificial intelligence technology and smart sensors;
- where appropriate, use renewable sources of energy to power our facilities; and
- analyze digital carbon consumption to identify areas for efficiency improvement.

2. Social responsibility

As a leader in digital security, we recognize and understand the importance of knowledge sharing and collaboration. This sharing can be both internal and external.

Our internal social sustainability initiatives include:

- providing regular training and awareness programs to educate employees about their ethical responsibilities;
- offering young people programs to provide valuable skills and employment opportunities (apprentice and internship programs); and
- proposing initiatives that support employee health.

Our external social sustainability initiatives include investing in our workforce and supporting the communities where we operate by:

- hosting workshops, seminars, and webinars to share our expertise in cybersecurity, digital security, and IoT with the broader public;
- collaborating with universities, research institutions, and industry associations to advance innovation and promote best practices;
- assisting clients and end-users in safeguarding their assets and knowledge through digital protection; and
- engaging with private and public stakeholders to shape responsible digital governance frameworks and standards.

3. Governance

Upholding the highest standards of integrity and ethical conduct is fundamental to our sustainability strategy. Our actions include:

- maintaining a strict-tolerance approach to corruption and unethical behavior, with clear channels for reporting and investigating allegations;
- regularly reviewing and updating our compliance program to address emerging risks and evolving regulatory requirements;
- adhering to high standards of data protection and cybersecurity, respecting customer privacy and integrity; and
- protecting the original/authentic content and fighting piracy.

4. Sustainable procurement

Optimizing the life cycles of our products and reviewing our supplier value chain are key to the Group's efforts to ensure sustainable procurement. Our initiatives include:

- designing software and hardware with environmental considerations, such as energy efficiency and long lifespan; and
- reviewing the selection of our suppliers, including our cloud platforms and data center partners, based on their technology leadership and sustainability commitments.

KEY SUSTAINABILITY PRIORITIES AND OBJECTIVES

A complete and detailed roadmap with short, medium and long term goals and a comprehensive set of performance indicators will be developed in 2025. The focus areas already underway have the following objectives:

1. Environmental stewardship

Reduce electricity consumption (KWh) in buildings and in the use of equipment through the following activities:

- in the short term, systematically identify, monitor, and decommission equipment that is no longer in use;
- in the short term, and where possible, replace old cooling systems with energy-efficient air handling units;
- in the short term, analyze the consumption of all buildings with 50 or more employees in Europe;
- when choosing a building for lease, prioritize the ability to utilize solar and other renewable energy sources.*

Reduce GHG emissions at every stage of our product/service lifecycle, including in respect of:

- design, material sourcing and manufacturing;
- packaging and transportation;
- end-of-life product recovery to maximize recycling, refurbishment and "second lives".

Develop a Scope 3 decarbonization plan. This involves assessing specific actions and their potential to reduce emissions. The objective is to identify appropriate reduction pathways through internal initiatives, supply chain engagement and collaboration with customers.

2. Social responsibility

Maintain and promote the Kudelski Group's policy of fair pay.

Improve employee access to skills training (24% of employees in 2024 have received at least one training session).

Promote a talent retention policy and minimize voluntary employee turnover.

Assess and review the composition of the workforce, including the percentage of women in leadership positions.

Track health/wellness initiatives and expand successful ones to all sites where appropriate.

3. Governance

Maintain a high level of protection and resilience against cyber-attacks (target of 100% protection coverage with 24/7 monitoring).

Maintain a strong internal audit capability to review compliance issues with associated remediation actions.**

4. Sustainable procurement

Pursue chlorine-free card procurement

Continue to optimize energy-efficient hardware product designs.

Improve product life through the use of quality materials*** and specific design features.

Reduce product replacements and pursue product refurbishment and "second life" programs.****

Proactively monitor product health to maximize product life.

* The objective is to reduce the total consumption of the Cheseaux/Vernand site (buildings) by 10% in 2025, while increasing the share of solar energy by commissioning a solar carport in January 2025. The energy production from solar panels is estimated at 414,650 KWh in 2025. As a result, the total solar energy production at the Cheseaux/Vernand site is estimated at 930,000 KWh for 2025, which should cover more than one third of our total consumption in buildings.

** 15 audits on various units/departments at 11 different sites were conducted in 2024.

*** e.g. plastic enclosure for RecovR to last minimum 15-20 years, procurement of long-life batteries.

**** returned or decommissioned RecovR units undergo a thorough inspection, data wipe, and component repair or replacement. This program keeps equipment in circulation longer, keeps electronics out of landfills, and conserves valuable raw materials.

A dandelion seed head is shown against a clear blue sky. The seed head is on the right side of the frame, with its green stem extending downwards. Numerous white, feathery seeds are blowing away from the head towards the left, creating a sense of movement. The background is a solid, vibrant blue.

SUSTAINABILITY CHALLENGES



BALANCING INNOVATION WITH RESPONSIBILITY

OUR COMMITMENT TO SUSTAINABILITY

We are committed to minimizing our environmental footprint, fostering a responsible and inclusive workplace, and upholding high standards of governance and ethics while remaining innovative and competitive at a global level.

Our environmental, social, and governance initiatives are aligned with our dedication to long-term value creation for all stakeholders.

ENVIRONMENTAL MATTERS

We are dedicated to optimizing our environmental impact through efficient energy and resource use by adopting responsible cloud solutions. We actively manage carbon emissions and address waste challenges, including e-waste and digital waste, to ensure sustainable operations.

SOCIAL MATTERS

Our people are our strength. We promote engagement through talent development, and diversity initiatives while addressing multi-cultural challenges. Apprenticeship programs and partnerships with universities help develop future talent, especially in STEM fields.

Prioritizing health and safety, we combat harassment and create a supportive workplace. Beyond our company, we share cybersecurity expertise with authorities and SMEs, strengthening global cyber resilience.

GOVERNANCE MATTERS

Governance and ethics guide our business. We uphold data security, combat piracy, and ensure transparent communication.

By maintaining high ethical standards, mitigating risks, and fighting corruption, we reinforce customer trust. Through innovation and responsible business practices, we are shaping a secure and sustainable future.

SUSTAINABLE PROCUREMENT

By embracing sustainable procurement practices, we ensure sustainable sourcing, support ethical suppliers, and contribute to a positive impact on both the environment and society.

ENVIRONMENTAL MATTERS



CARBON EMISSIONS

The Kudelski Group is taking a comprehensive approach to environmental sustainability, integrating it into every major aspect of its operations. By adopting this holistic approach, the Kudelski Group is not only addressing its own environmental footprint but also leveraging its technology and partnerships to create positive impacts across its entire value chain and beyond.

The Greenhouse Gas Protocol, aligned with ISO 14064, sets the standard for CO2 accounting, categorizing emissions into three scopes: Scope 1 (direct emissions from fuel use), Scope 2 (indirect emissions from purchased energy), and Scope 3 (other indirect emissions). Emissions can be assessed using market-based or location-based methods, with this report favoring the market-based approach. Scopes 1 and 2 are mandatory for reduction targets.

The assessment of the Kudelski Group is based on 2024 reference data and covers the significant entities of the Group (83%) and Scope 1 and 2 and part of Scope 3, with the exception of commuter mobility and the Group's digital footprint. The next objectives are to complete the analyses in Scope 3 in 2025 to gain a better understanding of the Group's carbon emissions.

According to the analysis done for this report, the Group's total emissions amount to 4 542 tCO₂. In the table below, emissions are presented according to different categories.

The most significant emission categories are electricity consumption, business travel and building heating.

For each of these carbon emission categories, the Kudelski Group is committed to taking the necessary steps to reduce its impact. A detailed action plan with a quantification of measures will be defined more precisely in 2025.

Recognizing that Scope 3 emissions account for a significant portion of our greenhouse gas (GHG) footprint, the Group will focus its efforts on developing a comprehensive approach that addresses both upstream and downstream activities in the value chain.

The entities selected and analysed (representing 83% of the total FTE of the group)

- Nagravision Sàrl
- Nagra Travel
- Kudelski SA
Cheseaux-sur-Lausanne - Switzerland
- Nagra USA LLC.
- Kudelski Security Holding Inc.
- Kudelski Corporate Inc. (until 31 December 2024)
- Sporfie LLC
Phoenix - US
- Nagra France SAS
- Kudelski Security France SAS
Issy-les-Moulineaux- France
- EDSI SAS
Cesson-Sévigné - France
- NexGuard Labs France S.A.S
Cesson-Sévigné - France
- NagraVision India Pvt Ltd
Bangalore - India
- NagraVision India Pvt Ltd
New Dehli Noida - India
- Nagravision AS
Oslo - Norway
- Nagravision Iberica SL
Madrid - Spain
- Nagra Media UK Ltd
Cwmbran - UK
- Nagra Media Brasil Ltda
Sao Paulo - Brazil

SCOPE	SCOPE	COMBINED GROUP DATA	UNIT	TCO2-EQ	%
Electricity	2	6 984 061	kWh	1 816	40.0
Office supplies	3		Various	3	0.1
Water	3	13 287	m ³	10	0.2
Catering	3		Various	252	5.6
Subcontracting: auxiliary services	3		FTE	103	2.3
Waste	3	65 031	kg	32	0.7
Transport**	3	52 485	t.km	36	0.7
Business travel**	3	8 152 612	km	1 532	34.4
Employee commuting	3	n.a.		n.a.	n.a.
Building heating	3	1 685 467	kWh	725	16.0
TOTAL				4 542	100

** Data captured only at the Kudelski Group level.

ENERGY EFFICIENCY

In 2024, we continued our efforts to reduce our carbon footprint by pursuing energy-efficient approaches in product development. We also furthered our commitment to secure product lifecycle management through ongoing initiatives aimed at crafting resilient software and hardware, while also aiding customers in safeguarding their data. Presented below are key highlights that exemplify our strategy in this domain.

A successful energy efficiency initiative to be applied across the Group

An employee-led initiative at the NexGuard site in Cesson-Sévigné, France has significantly reduced energy consumption through a series of strategic optimizations. By implementing targeted actions such as transitioning to the cloud, replacing inefficient lighting, optimizing heating systems, and precisely monitoring energy usage, the site has reduced its electricity consumption to a third of its 2016 levels.

This initiative aligns with France's environmental goals and demonstrates the impact of proactive energy management. The installation of smart meters and dashboards has provided valuable insights, leading to further optimization of server cooling and heating programs.

Given the success of this approach, the Group now aims to replicate these best practices across other sites. This initiative highlights how employee-driven actions can lead to substantial environmental and financial benefits, reinforcing the Group's commitment to sustainability and energy efficiency.

Performance indicators

The Kudelski Group's sustainability initiatives are assessed through key performance indicators (KPIs) including tracking the percentage decrease in overall energy consumption, evaluating the energy efficiency rating of heating and cooling systems, measuring the evolution in lighting energy consumption through motion sensors, and monitoring the percentage of total energy sourced from renewable sources, particularly photovoltaic panels. At its Swiss headquarters in Cheseaux, these energy reduction measures have resulted in a nearly 60% decrease compared to 2020.

In Switzerland, the Group is part of an initiative led by Romande Energie, the Swiss energy utility company, which assesses our effort from one year to another via a "Rapport de suivi annuel".

Upcoming projects

- Commissioning in 2025 of the electricity production system powered by the solar panels of the carport at the Cheseaux site in Switzerland;
- Implementation in 2025 at the Bangalore site in India of the energy optimization measures successfully implemented at the Cheseaux site in Switzerland and the Cesson-Sévigné site in France;
- discontinue obsolete and inefficient machines and installations;
- continue to replace equipment with more efficient solutions;
- raise employee's awareness of how to best reduce electricity consumption.

Adopting responsible cloud solutions and optimization of IT resources

Kudelski Group adopted a public cloud strategy, migrating existing solutions and deploying new ones in AWS and Azure. This shift has improved our energy efficiency.

Public cloud providers run highly efficient data centers powered by renewable energy and advanced cooling, significantly reducing energy consumption. By consolidating workloads and leveraging virtualization, we have optimized resource use, cutting energy costs and boosting performance. The cloud's scalability also allows us to adjust resources based on demand, minimizing waste.

This transition aligns with our sustainability goals while ensuring optimal operational efficiency. By focusing on energy efficiency through responsible cloud solutions, Kudelski Group is committed to a sustainable and efficient future.

WASTE MANAGEMENT

In alignment with its commitment to comprehensive environmental stewardship, the Kudelski Group is actively addressing waste management challenges with initiatives such as reducing packaging, composting of organic waste and selective waste sorting systems. The Group's approach extends beyond traditional waste management to include responsible handling of electronic and digital waste. By extending the lifecycle of electronic equipment, optimizing data storage, and raising employee awareness, the Group actively contributes to a more sustainable future.

Waste

With about 1,800 employees across multiple global sites, the Group is committed to responsible waste management. It has implemented waste sorting in selected premises, ensuring proper disposal and recycling of materials. Its sites continuously work to reduce overall waste by minimizing single-use plastics, optimizing packaging, and promoting reuse initiatives. Awareness programs encourage employees to adopt sustainable practices in daily operations. By integrating waste reduction into its global strategy, the Group actively contributes to a circular economy and minimize our environmental footprint across all our locations.

Electronic waste (e-waste)

End-of-life electronic equipment represents a major environmental challenge. To minimize its footprint, the Group has adopted a proactive approach that includes:

- Extending the lifecycle of equipment: the Group prioritizes repair, upgrades, and reuse of its electronic devices to maximize their longevity.
- Recycling and recovery: the Group collaborates with certified partners to ensure responsible recycling of obsolete equipment, in compliance with local and international regulations.
- Donations and repurposing: whenever possible, the Group donates its old equipment to associations or digital inclusion initiatives to give them a second life.

Digital waste

Beyond physical hardware, digital pollution is a growing concern. The Group is taking action to reduce the impact of its digital consumption through:

- Optimizing data storage: the Group implements data management policies to minimize unnecessary files and optimize the use of its servers.
- Energy-efficient IT infrastructure: the Group's data centers and cloud services are selected based on energy efficiency criteria and commitment to renewable energy sources.
- Employee awareness: the Group encourages responsible digital practices, such as regularly deleting unnecessary emails, limiting large attachments, and making mindful use of online resources.

SOCIAL MATTERS



Recognizing the importance of investing in our workforce and supporting the communities where we operate, we continue our efforts to promote apprenticeship programs and collaborate with educational institutions. We also remain committed to sharing our expert knowledge with the broader public. Below are some of our notable accomplishments in this area during 2024.

EMPLOYEE ENGAGEMENT

At the Kudelski Group, responsible and sustainable business practices are intrinsic to our identity. As a family-controlled company for over 70 years, our longstanding values of integrity, excellence, and respect for all people underpin our approach.

Fostering an inclusive workplace is in our DNA. Our offices in over 20 countries embrace diversity in all its forms. People of all backgrounds and beliefs work together at the Kudelski Group.

Empowering our employees through training, development, and engagement initiatives nurtures innovation and passion. We provide dynamic career paths where unique perspectives are cultivated.

Safeguarding health and safety is an uncompromised priority. From robust training to reporting of incidents, we take a proactive stance in preventing workplace accidents and injuries.

Ethics and human rights are cornerstones in our supply chain relationships and business dealings. Through rigorous due diligence and continuous monitoring, we uphold the highest standards of integrity across our global operations.

Mental health

The Kudelski Group places great importance on the mental well-being of its employees. In our main offices, we offer training sessions and workshops focused on stress management, resilience, and the prevention of psychosocial risks. Additionally, our “Learning Hub” platform provides a variety of mental health resources, enabling employees to learn at their own pace and access tools to better manage their personal and professional balance. These initiatives are part of a proactive approach to fostering a healthy and supportive work environment. Furthermore, mental health is one of the key priorities of the Group’s HR leadership.

Continuous employee training

At Kudelski, continuous learning and skill development are essential pillars of our corporate culture. Thanks to our team of highly skilled experts, we benefit from a collaborative environment that enhances everyone’s growth. We firmly believe that learning through practice is the most effective way to progress and excel. Additionally, our “Learning Hub”, a digital platform accessible to all, offers a wide range of continuous training programs tailored to individual needs and technological advancements. These programs cover diverse areas, from technical expertise to soft skills, allowing our employees to stay competitive and innovative in an ever-evolving industry.

Pay equity

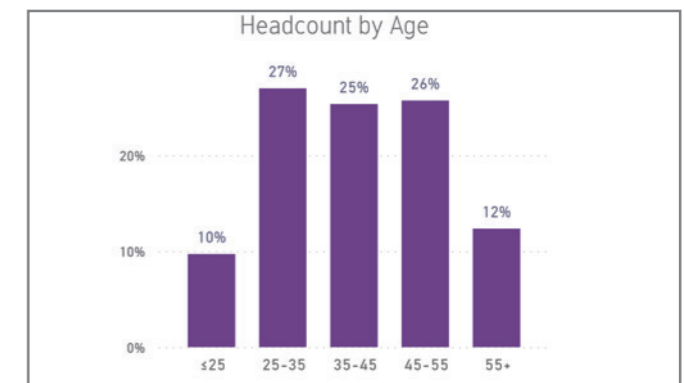
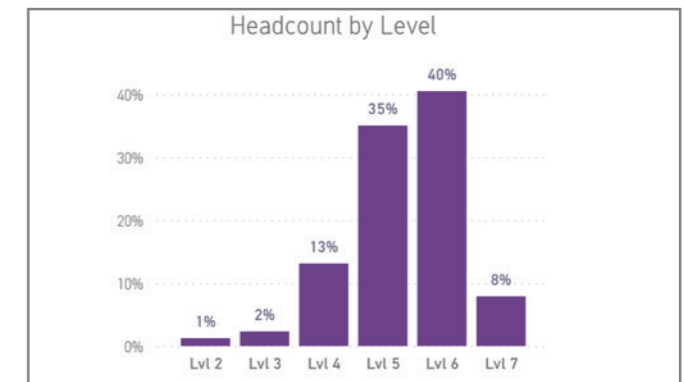
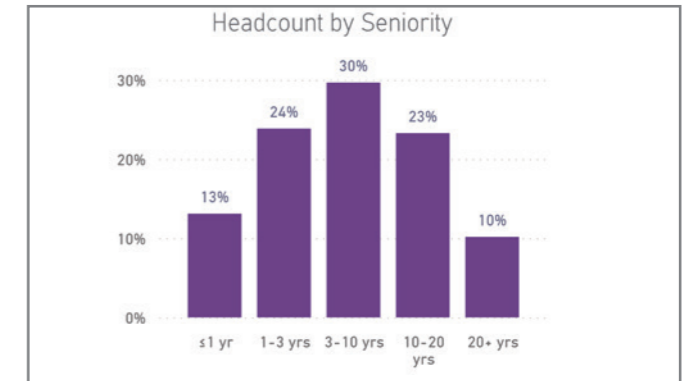
The Kudelski Group is firmly committed to pay equity. This commitment has been validated by an Equal Pay audit report conducted by PWC, in compliance with European standards, confirming our fair and transparent compensation policy. This certification underscores our dedication to ensuring fair pay, free from gender or origin-based discrimination, and reinforces our efforts to promote a positive and equitable corporate culture.

Apprenticeship program

The Kudelski Group takes pride in its commitment to training young talent. With a near 100% success rate, our apprentices benefit from personalized and structured supervision provided by dedicated mentors whose primary mission is to guide them. Our apprenticeship models adapt to local contexts:

- In Switzerland, our apprentices successfully complete their training and go on to start their professional careers either with us or in leading companies in the region.
- In the United States, the majority of our students continue their education at universities after completing their four-year apprenticeship at Kudelski.

These programs highlight our dedication to supporting the next generation and contributing to a sustainable professional future for young talent.



SHARING EXPERT KNOWLEDGE AND DIGITAL AWARENESS

Given its position as a technical expert and a leader in digital security, the Group plays a crucial role in shaping media discussions on these topics. The Group is regularly approached by the media to share its expert insights on digital matters and is available for interviews or discussions. Through active participation in public discourse, the Group fulfils its responsibility by disseminating valuable information to the general public, including for example information about security threats and vulnerabilities. This not only advocates for digital advancements but also raises awareness about potential risks associated with their utilization.

This involves a comprehensive approach to address media needs, ensuring that interactions are thoughtfully planned and executed to effectively convey the Group's perspective and expertise on various subjects.

The Group also leverages its presence at major tradeshows, conventions and forums as a pivotal platform for engaging with the media and disseminating information regarding its primary innovations and business advancements. This approach ensures that the Group remains at the forefront of industry discourse, reinforcing its commitment to innovation and keeping stakeholders well-informed about its ongoing initiatives and progress. Engaging in communication during tradeshows, conventions and forums offers an opportunity to capitalize on the heightened public attention surrounding significant events.

As a strategic partner of the World Economic Forum, the Group actively engages in collaborative endeavors aimed at shaping a future characterized by enhanced sustainability and overall societal well-being. This participation underscores the Group's dedication to playing a central role in global initiatives that seek to address pressing challenges and promote positive change. The Group contributes its expertise, resources and innovative solutions to the collective effort in building a future that benefits communities and the planet alike.

Cyber advice to authorities and SMEs

The Group serves as a consultant to authorities, providing guidance on matters related to cybersecurity and digital security. Working closely with government agencies and critical infrastructure providers, the Group helps protect against attacks that would impact the general public, hence fulfilling its role of public responsibility. The Group participates in initiatives such as the Swiss government Computer Response Team (GovCERT) to detect large scale system vulnerabilities and it collaborates on a regular basis with the Swiss National Cyber Security Centre (NCSC). It also contributes to the Swiss federal yearly MELANI report addressing important cybersecurity incidents. The Group CIO Office is in charge of implementing and monitoring the Group's policy in terms of collaboration with authorities in this field. It holds regular meetings and formulates the Group's strategy to guide optimal actions when interacting with regulatory agencies.

Helping to increase cyber resilience

Through its partnership with Trust Valley, the Group also takes part in the Trust4SME program built to help Swiss small and medium businesses to address lack of knowledge and resources to face cyber-threats.



Kudelski Group's CEO André Kudelski is a regular speaker at the World Economic Forum Annual Meeting and other forums.

In 2023, Trust Valley published "Digital Security: A practical guide for SMEs". This guide is an independent, free and scalable reference tool to raise awareness and support Swiss SMEs in efforts to strengthen their digital security posture and increase cyber resilience. Created with the support of the National Cybersecurity Center (NCSC) and the expertise of more than 40 specialists in the field, this guide brings together advice, lessons and most efficient practices from the digital trust and cybersecurity support program.



The Kudelski Group is present at important tradeshows and conventions in its industry, including the Consumer Electronic Show(CES) in Las Vegas and the International Broadcast Convention (IBC) in Amsterdam.

CONNECTION WITH EDUCATIONAL INSTITUTIONS

The Group maintains close relationships with local universities and high schools on both the scientific and recruitment fronts, and also supports Masters and Ph.D. programs from local universities and engineering schools. Through its relationships with universities, the Group actively upholds its civic duty to contribute to quality education and advocates for the progress of scientific discourse within the public sphere.

By engaging in partnerships, the Group strives to support the local academic community and foster the broader advancement of knowledge and learning. For instance, it is one of the founding members of the Center for Digital Trust (C4DT) of École Polytechnique fédérale de Lausanne (EPFL), fostering research in trust and cybersecurity. It also participates in initiatives that promote science in public schools through its partnership with Digital Switzerland. Different teams within the Group, such as the CIO Office and Corporate Communications, engage in discussions with university entities or education state departments to coordinate events and establish or enhance partnerships.

Promoting STEM to build new talent

Through its partnership with Digital Switzerland, the Group works together with educational institutions in Switzerland to promote STEM (science, technology, engineering, math) and digital professions among young students in Switzerland. The idea behind this initiative, amongst others, is to encourage young people to embrace a professional career in these disciplines, eventually joining a tech company such as the Kudelski Group, where they will be able to develop their talent.

Teams within the Group, such as Human Resources and Corporate Communications, liaise with educational institutions and students to highlight the importance of STEM professions at organized promotion events.

This enables the Kudelski Group to attract the talent of the future by remaining as close as possible to its markets and local talent.

Apprenticeship in Arizona

Our commitment is not only targeted at growing business operations but also to developing the next generation of talent. We are investing in partnerships with leading educational institutions, such as Arizona State University and the University of Southern California, which enables the Kudelski Group to support the next generation of talent as well as to contribute to the development of innovation in the US.

Leveraging our Swiss heritage, we have also been proud to create an apprenticeship program in the US for cybersecurity professionals. Launched in conjunction with the Memorandum of Understanding on apprenticeships signed between the United States and Switzerland during the first Trump administration, our program has since grown from 2 apprentices to 17 today, expanding beyond cybersecurity into other areas of our business.

SOCIAL RESPONSIBILITY INITIATIVES

The Group supports charitable organizations serving the communities in which it operates. It puts in place, at selected locations, volunteer time-off policies encouraging employees to be active members of their community.

These initiatives empower employees to make a positive impact on their communities, fostering a culture of civic engagement and shared responsibility for societal well-being. Through them, the Group maintains close relationships with local institutions and organizations as the best way to create the synergies that can lead to social improvement, help facing challenges and form future talents.

Pursuing the collaborative effort between its Nagravision division in Bangalore, India, and Indian NGO Utishta, the Group renovated in 2024 seven Government Higher Primary Schools in the districts of Dodderi and Madhugiri in India. With around 200 children each, these schools are situated in the villages of Kodigenahalli, Puravara, Kodagadala, Indiragrama, Somalara, Kondavadi and Jogihalli

The renovation included updating aging infrastructure and water facilities, providing new uniforms to students and planting trees on school premises. Computer labs were also established to support pupils in their learning of IT technologies, with new computers, printers and LED TV screens installed.

By working with a local NGO, the Group ensures a more profound integration into the community fabric, fostering a two-way understanding that transcends cultural differences. By leveraging the expertise of local organizations, the Group not only enriches its project implementation but also establishes a foundation for sustainable impact.

The Group also launched a new initiative to support children with Type-1 diabetes. Partnering with the Karnataka Institute of Endocrinology and Diabetic Research Center (KIER) in Bangalore, India, the Group enhanced the center's visitor experience by providing new furniture to create a more patient-friendly environment. Additionally, the Group sponsored a one-year free medication program to benefit children at KIER living with Type-1 diabetes.



Inauguration of the renovated premises at Manuvina Kurike School in India.



Inauguration of the renovated premises at Dodderi School in India.



Handing over the letter confirming the free medication program benefitting children living with Type-1 diabetes at the Karnataka institute of Endocrinology and Diabetic Research Center in Bangalore, India.

ETHICAL CONDUCT AND COMPLIANCE POLICIES

Throughout 2024, we remained steadfast in upholding high standards of integrity and ethical behavior in our activities, focusing on implementing policies for security, compliance and ethics.

Governance and ethics at the Kudelski Group

Under the oversight of the Board of Directors and its Audit Committee, the Kudelski Group seeks to conduct its activities ethically, professionally and in full compliance with the legal and regulatory requirements of the places where it operates. Employees of the Kudelski Group are expected to behave professionally, ethically and in accordance with applicable law. The Kudelski Group also promotes fair and honest practices with its customers, suppliers and partners. The Group does not tolerate corruption or any type of fraudulent or unethical conduct.

The Kudelski Group is a global company with employees, customers, partners and operations located around the world. As a result, the Group's compliance measures must be designed to operate effectively to manage risk on a global basis. The fight against corruption, unethical behavior and unfair business practices is key for the Kudelski Group and applies to all actors, regardless of their level or role within the organization, including not only management and employees, but also third parties with whom we do business, such as our contractors, suppliers and customers. We implement this focus at the Group level by applying a common core of «Business Principles» that embody the values and principles of good conduct within the Kudelski Group. These principles are applied to our subsidiaries through codes of conduct, employee handbooks, policies and training, which are customized and localized depending on the specific nature of the business concerned and the local laws and regulations.

Pursuant to the Business Principles, Kudelski Group employees must be vigilant and never offer, promise or grant an advantage in any form that would constitute an unethical or unlawful act or a breach of obligations. Employees must also not request or accept such advantages for themselves or for third parties in connection with their role or function within the Group. Conflicts of interest, whether actual or perceived, must be avoided. Only small gifts or donations in accordance with local customs are tolerated without approval. Training programs for employees most exposed to ethical issues are used on a periodic basis to educate our employees. Such training programs are being extended throughout the Group.

The Kudelski Group has implemented an internal control system to monitor our financial reporting, including payments, purchases and expenses within the Group covering the entire value chain. In addition, the Group maintains a dedicated Internal Audit function that carries out systematic and ad hoc assessments of the Group's business units and corporate support functions. Our Internal Audit department, in collaboration with our Legal department, has the responsibility to investigate allegations of fraud, conflicts of interest, whistleblower complaints and other material issues that may be identified from time to time. Employees are encouraged to report any issues or concerns through their management hierarchy, to the Head of Internal Audit, the Legal department or the Human Resources department or anonymously through confidential reporting means. The Head of Internal Audit reports to the Audit Committee of the Board of Directors concerning its activities.

Any employee who fails to comply with Kudelski Group policies, including the Business Principles and the relevant employee handbook, may be subject to disciplinary action, up to and including termination of employment.

Governance and ethics by Kudelski Group suppliers

Given their importance, we recognize that our suppliers are also sensitive to ethical issues that could impact their business operations. The Kudelski Group is therefore committed to maintaining appropriate controls in this area. With the implementation and publication of its Supplier Code of Conduct as well as its Modern Slavery Statement, the Group provides its suppliers with a list of key principles and actions to follow in order to adhere to similar ethical and legal requirements. The Group requires compliance with the Supplier Code of Conduct in all new supply contracts. Group personnel maintain regular communications with its suppliers regarding any potential compliance issues. Any failure by a supplier to comply with the Group's Supplier Code of Conduct would constitute a breach of contract.

Human rights

As a technology company with a highly skilled workforce, one of our longstanding core values is respect for our employees and human rights. One of the key elements of our Business Principles is respect for the health and safety of our employees. The Group does not tolerate discrimination in hiring and employment practices. We respect all applicable laws and mandatory industry standards pertaining to wages and work hours. We do not tolerate forced or compulsory labor, human trafficking or child labor. These core principles are implemented across our Group through our employee handbooks, and employees receive periodic training on these matters. Through our Supplier Code of Conduct, we similarly require our suppliers to abide by similar principles.

The Kudelski Group also supports the local communities in which it operates by providing local employment opportunities and encouraging employees to engage in local community initiatives.

DATA SECURITY AND PRIVACY

Recognizing the paramount importance of privacy and security in the digital age, the Group dedicates significant resources to develop cutting-edge solutions in data protection, chipset security, device security, and quantum-resistant technologies.

With a commitment to innovation, the Group pioneers quantum-resistant solutions that mitigate the risks associated with quantum computing advancements. By developing encryption techniques and protocols resilient to quantum attacks, the Group empowers individuals and organizations to protect sensitive information and maintain data integrity in an increasingly quantum-enabled world.

Building a secure future

The Group's dedication to quantum-resistant solutions goes beyond addressing current security challenges; it lays the foundation for a secure future. The Group plays a pivotal role in shaping a digital landscape where data privacy and security remain paramount, fostering trust and confidence in emerging technologies.

INNOVATION

Innovation has been at the heart of the Kudelski Group since its foundation, shaping our culture and driving our leadership in digital security. Through continuous research and development, we bring cutting-edge solutions to market, securing new clients and expanding into new industries. Our commitment to innovation not only strengthens our business but also advances the broader cause of digital security.

With a strategic approach to intellectual property, we have built a global portfolio spanning over 70 years, supported by an annual R&D investment of over USD 100 million. This portfolio is a critical asset, reinforcing our ability to develop, protect, and license groundbreaking technologies that power our award-winning solutions.

OPENNESS OF COMMUNICATION

As a publicly listed company, the Kudelski Group upholds the highest standards of transparent communication, adhering to stock exchange requirements while ensuring clarity and accuracy in all disclosures. Openness is fundamental to building trust with our stakeholders, including investors, customers, and the wider public.

Beyond regulatory obligations, we are committed to clear, open, and responsible communication, sharing our expertise in digital security to inform and educate. Through various channels, we engage with customers and the public in a meaningful way, reinforcing our role as a trusted leader in the industry. Our approach ensures that our messages are both accessible and impactful.

CUSTOMER TRUST AND SATISFACTION

The Group actively supports its customers and the media industry in fighting illegal media distribution that harms content creators. Through its cutting-edge anti-piracy solutions, the Group is committed to ensuring that its customers' content is protected from unauthorized use or distribution. By implementing these solutions, the Group not only upholds the rights of content creators but also promotes an environment where creativity can thrive securely.

Engaging in diverse initiatives and alliances, the Group advances the cause of content protection and author rights within civil society. In doing so, it contributes to fostering a more ethical and respectful societal framework.

Together to fight piracy

The Group is a founding member of Latin America-based Alianza contra Piratería de Televisión Paga, an industry association launched in 2013 that aims to fight pay-TV piracy in Latin America. The company is also involved in several anti-piracy alliances such as IBCAP (International Broadcaster Coalition Against Piracy, USA), CAOVP (Coalition Against Online Video Piracy), CAP (Coalition Against Piracy, APAC), AAPA (Audiovisual Anti-Piracy Alliance, Europe), ABTA (Brazil), Convergence (Africa), Broadcast Satellite Anti-Piracy Coalition (MENA) and Sygnal (Poland).

The activities of these associations and the Group's involvement in their initiatives undergo regular evaluations, which are systematically documented in publications, discussed in meetings, and scrutinized during conventions. This ongoing assessment ensures transparency and accountability in their collaborative efforts. Content piracy and illegal distribution pose severe risks to society by undermining creators' livelihoods, stifling innovation, and facilitating the spread of malicious software. Additionally, these activities contribute to a culture of intellectual property infringement, eroding the ethical and legal foundations that sustain creative industries and technological advancements.

Providing an incorrect or weak response to these threats could potentially reinforce them. Therefore, the Group is dedicated to establishing a robust, coordinated and well-organized effort to combat piracy and illegal distribution.

SUSTAINABLE PROCUREMENT



SUPPLIER ENVIRONMENTAL AND SOCIAL PRACTICES

The Group works with carefully selected suppliers with the main focus on quality, reliability and security of supply with respect to components (e.g. chips and microprocessors) and other equipment and services. Some raw materials may have significant social and environmental impacts, in particular in the context of the supply chain for silicon, lithium and plastics as highlighted in the value chain (p.xx). The digitalisation of products and services in recent years has meant that most of the value added is generated within the Group's units in Switzerland, the EU and the US. However, some raw materials and diverse physical components are still procured by our suppliers across the globe.

In 2025, the Kudelski Group's ambition is to strengthen its supplier management activities. This includes a risk-based approach to the social and environmental practices of our supply chain. The Group's high standards of quality, safety and sustainability must also be required of its partners and suppliers. This includes, in particular, responsible sourcing and manufacturing practices. At a minimum, the Group requires its suppliers to comply with the Kudelski Group Supplier Code of Conduct. The principles of legal and ethical business practices embodied in the Code of Conduct must be respected and will be further developed in the coming years. As part of this plan, and depending on the materials, countries of origin and production, the Group aims to better control and develop greater transparency requirements for its key suppliers in order to make more informed choices in accordance with its Code of Conduct and applicable laws and regulations.

Following the methodology used to assess ESG risks, the process of mapping and analysing the supply chain in relation to suppliers is carried out according to pre-defined criteria, such as the volume of purchases, the country of the supplier, the nature of the products or components purchased, geopolitical aspects and the existence or not of an alternative source of supply. The review will involve various stakeholders and will be based on internal company data and external information. Data collection will be improved in terms of process, accuracy and quantity. A check will be carried out to ensure that suppliers comply with applicable laws and the Group's principles and policies. The assessment of suppliers is carried out on a risk-based analysis, with the support of our local staff in applicable countries.

PRODUCT LIFECYCLE MANAGEMENT

Sustainability is built into the Group's product design, enabling devices and solutions to be maintained easily over time and to have a minimal environmental footprint. For example, promoting the use of cloud-based solutions, conditional access modules and USB devices for digital television solutions guarantees a longer lifecycle, lower energy consumption and smaller quantities of materials than traditional set-top boxes.

The Group's products are designed with high quality and reliability in mind as well as a secure by design approach and optimal product lifecycle, extending the limits of obsolescence. Offering maintenance and support services across its product lines, the Group also enables long-term use of its products by customers.

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EDITING AND GRAPHIC DESIGN

Corporate Communication, Kudelski Group

PHOTOGRAPHY

Internal image banks, © Kudelski SA

External image banks, © 24heures / Emmanuel Borloz

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