

Annual Report 2024



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Dear shareholder,

We can look back on a very successful year for the Orell Füssli Group. The company recorded growth in all areas and closed the reporting year with revenue of CHF 252.5 million, representing an increase of 8.7% compared with the previous year. A strong order intake and an advantageous product mix in Security Printing and at Zeiser and hep Verlag, along with ongoing efficiency measures and strict cost management, contributed to the good profitability. The operating result (EBIT) stood at CHF 22.6 million, up 24.5% on the previous year.

Good progress was made again with the implementation of the strategy in the second year after its launch. The Group's revenue has increased continuously since 2022. Profitability was higher despite the heavy investment in expansion of the digital business. The core business has become more stable and the Group is now less dependent on the cycles of individual key customers.

The strategic EBIT target of 8% was achieved ahead of time in 2024. This strong position suggests the Group is on track to meet its other targets for the strategy period up to 2028.

The economic environment has not changed significantly since 2023. The strong Swiss franc and overcapacity in banknote printing continued to put pressure on the export-oriented security business area. In the domestic education business area, book retailing and publishers continued to face consumer restraint.

Digitalisation in the education sector and public administration continues to gather pace. A positive development in this context was the adoption and entry into force of new digitalisation laws in Switzerland and the EU, which will accelerate the development of technology and markets. This confirms that the Group is on the right track strategically. Read more about the status of the strategy on page 12.

“The continuous growth in revenue and EBIT confirms our strategy, creates new jobs and supports the dividend.”

Dr Martin Folini, Chairman of the Board of Directors

In **Security Printing**, the market expansion drive over the past five years is paying off. The division was able to further establish itself in the international business as a technology leader in banknotes, security documents and identity documents. Thanks to a stronger international presence, a solid track record and a determined approach to acquisitions, a number of new business was secured.

Last year, Orell Füssli Security Printing gained two more central banks as anchor customers. This was a significant achievement for the company, as it ensures greater continuity in the banknote business. Order intake in Security Printing was very high and will keep the division operating at full capacity well into 2025.



Daniel Link
Dr Martin Folini

Zeiser's business is gaining momentum in the area of serialisation, thanks to several new customers. Revenue from track & trace systems was up on the previous year. The final acceptance of the first reference machine for banknote printing is scheduled for the first half of 2025 and will facilitate the completion of major projects that are in the initiation phase.

The leading market position in Swiss **book retailing** was further consolidated in 2024 and the market share was increased. Orell Füssli Thalia made good progress with its omni-channel business model. The combination of personal advice and simple online ordering proved effective. In both brick-and-mortar retail and e-commerce, results were once again above the industry average. Delivros Orell Füssli held its ground in the highly competitive B2B business. Orell Füssli Thalia is perceived by retailers as a well-positioned and successful company with a strong presence in the Swiss Retail Federation.

The **publishers** have become one of the most important providers of teaching and learning media in Switzerland. This is also due to their close contacts with the authors of teaching materials and with the teachers involved in the development of new educational media. We discussed this topic with Aymo Brunetti, Professor of Economics at the University of Bern. The interview can be found on page 14.

In legal media, significant groundwork was done in the segments of print content, digital secondary use, digital work aids and the development of a new event segment.

Partnerships in the children's book sector, such as those with the holiday destinations Engelberg, Lenzerheide and Bad Zurzach, strengthen customer loyalty, generate media attention and help maintain the characters' popularity. Lively interaction on social media channels and high click-through rates for regular newsletters underline the strong affiliation with the characters.

Procivis is increasingly establishing itself as an important provider of software solutions for electronic identities and verifiable digital credentials. The software "Procivis One" was developed specifically for this purpose and launched successfully on the market in 2024. Procivis won its first major contracts, including from the city of Zug and the US Department of Homeland Security (DHS).

Having previously focused on team building and product development, Procivis is now prioritising market development. The initial focus will be on the EU countries, where the recent decisions to standardise electronic ID systems are forcing governments to act.

Orell Füssli founded Procivis GmbH in Vienna in 2024 to gain a foothold in Europe and put itself in a strong position for future government tenders. Read the interview with Andreas Freitag, co-CEO of Procivis, on page 16.

Ensuring our reporting is as clear and transparent as possible is one of our main communication objectives. The Sustainability Report has therefore been expanded to include a section on the climate impact of our activities (climate reporting, from page 59). In addition, more space has been dedicated to the sections on corporate governance and remuneration.

With the election of Pascale Bruderer, who is well connected in the education sector, to the Board of Directors at the 2024 AGM and the promotion of Martina Barth, Head of Orell Füssli Publishers, to the Group Executive Board as of 1 January 2025, Orell Füssli has taken steps to ensure the strategic business area of education is more widely represented in the company's two highest governing bodies.

In the summer of 2024, we conducted a survey to determine the satisfaction level of our employees. Four out of five respondents are very happy with Orell Füssli as an employer. The level of trust in the company is high. We also see this as confirmation that our efforts to instil our company's values are bearing fruit.

“The momentum generated by the new regulation on digital identities in the EU member states will lead to new contracts for Procivis.”

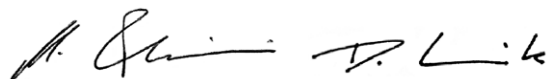
Daniel Link, CEO

The outlook for Orell Füssli in 2025 is positive. The Board of Directors and the Executive Board expect further growth in revenue and EBIT. Security Printing and Zeiser are starting the new year with an exceptionally high order backlog, and Procivis was invited to tender for several new projects in the final weeks of the reporting year. The momentum generated by the new eIDAS Regulation in the EU member states should lead to new contracts. The publishers are also looking ahead to 2025 with confidence. It is expected that the share of licensing revenue from learning materials will continue to increase and that more schools will use hep's digital products.

Due to the increase in net profit, the Board of Directors proposes to the shareholders that the dividend is increased again, this time to CHF 4.40 per share. This corresponds to a dividend yield of approximately 5.7% based on the year-end share price.

We would like to thank our employees for their contribution to this excellent result, our customers for their loyalty, and you, dear shareholders, for your ongoing commitment to Orell Füssli.

Zurich, March 2025



DR MARTIN FOLINI
Chairman of the Board of Directors

DANIEL LINK
CEO





500

years of history



252.5

million (CHF) in
revenue



22.6

million (CHF) in EBIT



659

employees

Orell Füssli is a pioneer in the fields of security and education. With its expertise in security solutions for the state and citizens and as a leading Swiss player in the book retailing sector, Orell Füssli supports its clients with a unique and customised offering.

As a leading systems supplier of security technology and identification systems and a long-standing partner to governments, Orell Füssli sets technological standards in both analog and digital applications. In the area of security printing and serialisation, the company offers innovative printing processes, equipment and services for the production and effective protection of banknotes, value documents and identity documents.

Verifiable digital credentials represent a relevant new business area with huge international potential and will be developed in the coming years by Procivis AG, a subsidiary of Orell Füssli AG.

With its attractive large-format and specialist bookstores, Orell Füssli offers a true book shopping experience. In the book retailing segment, Orell Füssli AG holds a 50% stake in Orell Füssli Thalia AG, an omnichannel company that provides an extensive offering with branches located in the German-speaking part of Switzerland and various e-commerce services. Orell Füssli Thalia AG provides also logistics and others services for libraries and the corporate sector.

With its publishing houses, Orell Füssli focuses on learning and legal media as well as books for children.

Orell Füssli was established more than 500 years ago and generates revenue of some CHF 250 million, with about 660 employees and locations in five countries. Orell Füssli is listed on the SIX Swiss Exchange (security number 342 080; ISIN number CH0003420806).

Key figures

INCOME STATEMENT

in CHF million	2024	2023	2022	2021	2020
Revenue	252.5	232.2	217.3	210.4	218.6
Thereof Security Printing	86.4	77.2	70.4	73.8	87.3
Thereof Industrial Systems	24.8	21.6	20.9	25.3	24.8
Thereof Book Retailing	124.3	117.5	112.2	103.3	96.2
Thereof other business areas	17.3	16.5	13.7	7.7	10.3
EBITDA (EBIT + Depreciation + Impairment)	35.1	29.8	25.8	25.4	24.1
in % revenue	13.9%	12.8%	11.9%	12.1%	11.0%
Depreciation and Impairment	-12.6	-11.7	-10.9	-10.0	-9.7
EBIT	22.6	18.1	14.9	15.4	14.4
Thereof Security Printing	12.9	10.6	9.7	6.1	5.5
Thereof Industrial Systems	3.5	3.6	0.9	5.5	5.3
Thereof Book Retailing	9.3	8.0	9.3	7.5	5.5
Thereof other business areas	-0.9	-0.9	-0.9	-0.0	1.0
in % revenue	8.9%	7.8%	6.9%	7.3%	6.6%
Net income for the period	17.5	14.6	11.7	12.1	15.0
Net income in % revenue	6.9%	6.3%	5.4%	5.8%	6.9%
Minority interests of net income for the periode	3.4	2.6	3.2	2.7	2.1
Net income for the period after minority interests	14.1	12.0	8.5	9.4	12.9

BALANCE SHEET

in CHF million	2024	2023	2022	2021	2020
Tangible assets	64.3	65.6	67.7	70.2	62.3
Total assets	190.7	178.6	179.4	185.9	211.1
Total equity	140.8	132.1	133.7	138.8	144.5
thereof minority interests	9.2	8.3	11.5	12.8	9.0
Equity ratio	73.8%	74.0%	74.5%	74.7%	68.4%

OTHER KEY FIGURES

in CHF million	2024	2023	2022	2021	2020
Cash flow from operating activities	28.2	26.1	19.5	26.3	11.9
Investment in/Proceeds from	12.5	12.4	19.3	25.1	23.2
tangible assets	9.9	11.7	6.6	13.8	18.5
intangible assets	1.9	1.8	1.3	0.9	0.5
financial assets	0.7	-1.1	11.4	10.4	4.2
Free Cash flow	15.7	13.7	0.2	1.2	-11.3
ROCE (NOPAT/Capital Employed) ¹⁾	13.4%	10.7%	8.9%	9.5%	9.9%
Full-time equivalents FTE (annual average) ²⁾	636	657	642	585	572
Full-time equivalents FTE (at 31.12.) ²⁾	659	665	650	615	581

1) NOPAT: EBIT minus income tax expenses

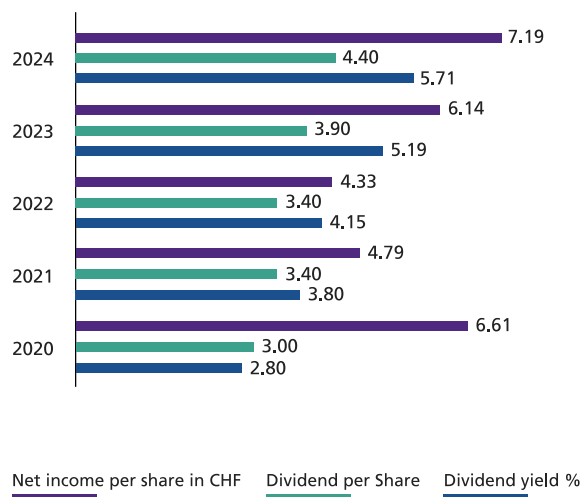
Capital Employed: Average equity plus average interest-bearing liabilities plus average pension fund liabilities

2) Starting in 2024 apprentice are only counted 0.5 FTE

*“The good annual result
can be used for another
dividend increase”*

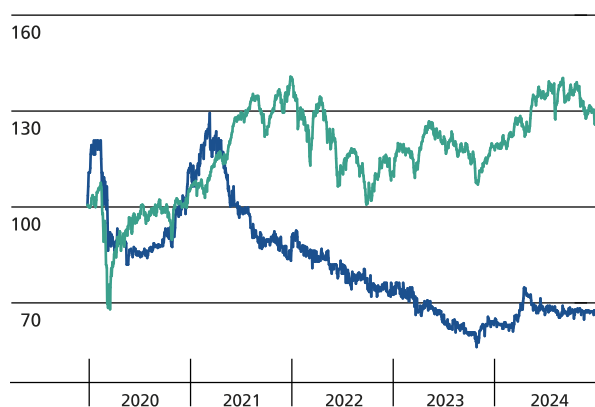
Reto Janser, CFO

DIVIDEND INFORMATION

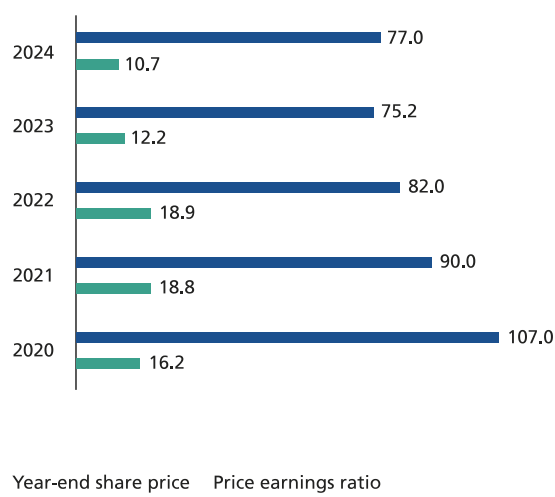


SHARE PRICE PERFORMANCE

indexiert, in %

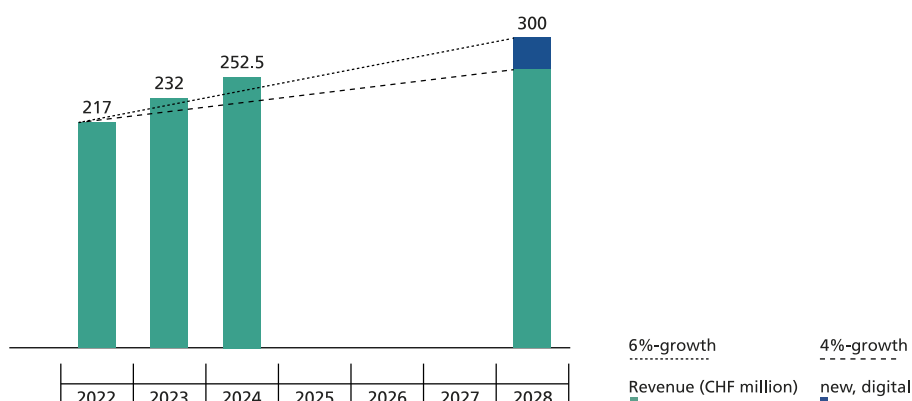


SHARE INFORMATION

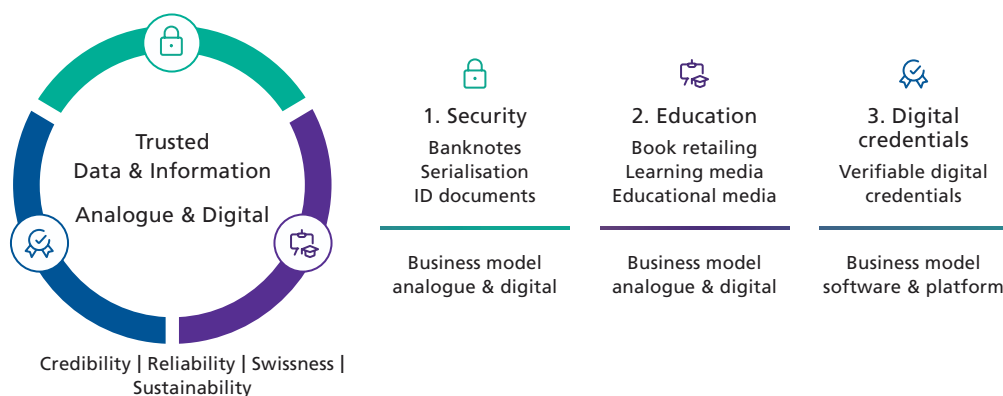


Strategy 2028

The strategy implementation in the areas of security and education is progressing well and is even slightly ahead of schedule. The sales growth target for the reporting year was exceeded. This growth was purely “organic”, as no acquisitions were made in the reporting year.



Orell Füssli's strategy builds on existing strengths and exploits growth trends in the areas of security and education against the background of increasing digitalisation. The focus is on services and products in which trust and security are of central importance. The goal is to profitably expand the business and become a leading provider of analogue and digital trust services. To achieve this, Orell Füssli aims to reduce its dependence on the investment cycles of individual customers, strengthen the brand and reduce its environmental footprint.



Growth is being primarily driven by new locations in book retailing and the development of the new digital identity and credentials business area. In the operating business, the focus is on consistently high quality, efficiency gains, product improvements, and the expansion of products and services.

Status as at the end of the reporting year

The Security Printing Division achieved an important strategic objective by acquiring new anchor customers. This guarantees a minimum pipeline for several years and also reduces the risk of relying on a few key customers. In the area of sustainability, a new software program (BEES®) was developed that enables central banks to measure the environmental footprint of their banknotes. BEES® creates added value for our customers in an area driven by global regulatory efforts to promote sustainable business practices. Find out more in the Sustainability Report.

In the Industrial Systems Division, the efficiency improvement programme began to have an effect. Several major orders from the security printing industry are in line for track & trace systems, with which Zeiser is expanding its core business. The business area has also been expanded with the new laser process for digitally customised micro-perforation, which was launched in the reporting year.

Orell Füssli's book retailing business combines the advantages of brick-and-mortar stores and online shops (omni-channel strategy). The division continues to grow steadily and expand its market share through both these channels. New customer segments are being targeted with contemporary online offerings. The measurable success of these efforts among children and young readers is particularly encouraging.

For publishers, the focus is on expanding the business in various areas. The digital teaching and learning platform myDetailhandel has been completed for all apprenticeship years. In addition, hep Verlag worked with partners to develop a prototype for AI-assisted conversation training. It allows aspiring retail specialists to practise customer conversations and industry-specific dialogues in realistic scenarios, including in a virtual environment. The edition of mySkillbox for commercial professions is also being continuously expanded.

The software solution "Procivis One" for digital identities and credentials was launched at just the right time. In 2024, the EU gave the go-ahead for the introduction of European digital wallets with the eIDAS 2.0 Regulation. In Switzerland, the eID Act was passed by parliament and the first technical foundations for the implementation of electronic identification were laid. It will call for secure, scalable and internationally compatible (interoperable) solutions.

Procivis is responding to this need in line with the business plan that was drawn up before the development of Procivis One and approved by the Board of Directors. The Digital Committee of the Orell Füssli Board of Directors monitors compliance with Procivis' strategic milestones. These had all been reached by the end of 2024.

Read more about the unique features of Procivis One in the interview with Andreas Freitag (page 16) and in the section "Course of business" (page 31), which highlights selected customer projects in Switzerland and the US.

In the reporting year, the Procivis Board of Directors was further strengthened by the addition of two highly experienced external members. With their knowledge, experience and contacts, they will help to establish Procivis in the market and among key customers.

Objectives

Orell Füssli aims to be a leading provider of analogue and digital trust services by 2028; i.e. products and services in which trust and security of central importance. Orell Füssli is also expanding its position in the book trade.

Orell Füssli has set itself the target of lifting its revenue to CHF 300 million in the strategy period leading up to 2028. At the same time, Orell Füssli aims to achieve an EBIT margin of at least 8%.

Education in constant change

An interview with hep Verlag textbook author Aymo Brunetti about the future of learning.

Professor Brunetti, how important is education for the economy?

Education, or human capital, is central to the development of all economies. For Switzerland, it is one of the main reasons for the country's high level of prosperity by international standards. This is partly due to the country's dual education system. Education is becoming increasingly important for individuals too, as people take on many different roles throughout their working lives.

"Education, or human capital, is central to the development of all economies."

As a textbook author and professor at the University of Bern, what do you think the future of learning will look like?

Since I converted my lecture notes into a textbook entitled "Volkswirtschaftslehre – Eine Einführung für die Schweiz" (Economics – An Introduction for Switzerland) some 20 years ago, my perception of learning has changed – but not fundamentally.

The internet had been around for a while back then and was already having an impact on teaching and learning. One example that springs to mind is the Swiss National Bank's revolutionary online education service "iconomix". Since 2007, it has provided supplementary teaching modules for business education at secondary and vocational schools.

What new developments do you foresee for teachers and students?

The rise of ChatGPT and other artificial intelligence tools could redefine the way we learn. However, it is still unclear how exactly.

For example, I can imagine lecturers asking small classes or seminar participants to prepare a topic with the help of ChatGPT, and then discussing the results in the group. I think it's important that the students are given guidance on how to use the information from such technology.

How does the content of textbooks change over time?

In economics, some mainstream knowledge remains relevant for decades. On the other hand, there are some topics that become less prominent for a while but then resurface in the curriculum again due to current events. One such topic is inflation. For a long time, it was consistently low and hardly seen as a problem during that period. But it came back after the COVID-19 pandemic. That's why I have devoted more attention to this recurring topic again in the new edition of my economics book "Volkswirtschaftslehre" (Economics).

What happens to knowledge that is not mainstream?

New foundational research can take many years to find its way into textbooks. But this is a good thing, since new findings first have to prove reliable; one has to be sure that a research result is robust enough to be relevant in a wide range of contexts and institutional settings.

Thus, the teaching content changes only gradually, and most of what is written in textbooks has already been known for a very long time and is considered mainstream.

How do you teach, and what role do digital tools play?

I structure my lectures in a way that allows me to explain theories and interconnections to the students at my own pace. I'm quite old school in this sense. My experience with PowerPoint is that it usually conveys too much information too quickly, making it hard for students to absorb the material. Also, using PowerPoint gives me less freedom to deviate from the plan if I notice during the lesson that a deeper explanation or additional practical examples are needed.

I cannot image fully digital lectures becoming the norm in future.

Where do you think digital tools are useful?

It makes sense to offer textbooks in both printed and digital form. Students can choose between a physical book and an e-reader – whatever works best for them.

Tools such as the hep Verlag app, with its digital flashcards, are helpful for remembering key terms. But that alone is not enough. In economics, understanding the concepts and how they relate is more important than simply memorising terms. That's why I believe textbooks will remain essential.

I also see value in videos that incorporate navigation elements, self-tests and further information as interactive elements. A few years ago, as part of the flashMOOCs project at the University of Bern, we produced an interactive video to help understand the role of banks and financial crises.

Digitalisation also offers a number of advantages in the production of textbooks. These advancements make it much easier for me to update my books for new editions.

As a father, what advice do you give your children about education?

When it comes to economics and learning strategies, I leave my children alone (laughs). They have to determine for themselves what works best for them.

However, I do ask them which teachers have had the biggest influence on them.

Personally, I was influenced more by good textbooks. The best in economics are almost always written by Anglo-Saxon authors. Unlike many authors in the German-speaking world, they write – to put it bluntly – with the goal of helping students to understand the material, rather than demonstrating how smart they are. This is the only way to get new students interested in the subject.

In economics, there are three or four simple concepts that can explain a great deal about the world. That's what I want to promote.



Aymo Brunetti is a professor of economics at the University of Bern's Department of Economics. He has also been actively involved in economic policy advisory work at the federal level. Since 2006, he has written various hep textbooks on economics, business and law, and he is also the author of the books "Wirtschaftskrise ohne Ende" (Never-ending economic crisis) (2012, 3rd edition) and "Ausnahmestand" (State of emergency) (2018).

Image: Dres Hubacher Fotografie

Perfect timing

An interview with Andreas Freitag, Co-CEO of Procivis, about the qualities and market prospects of “Procivis One”, the software solution for digital identities and credentials.

Andreas, what were the highlights for Procivis in the reporting year?

We achieved a lot in 2024. For instance, we launched “Procivis One”, our all-in-one, ready-to-deploy solution for digital identities and credentials. We also successfully implemented various customer projects, including for the US Department of Homeland Security (DHS) and the city of Zug.

And we launched our wallet for digital identities and credentials in the Apple and Google app stores. A test environment for potential customers was also set up. In addition to the wallet, a mobile app for verification of digital credentials, called “Verifier”, has been available since 2024. Last but not least, we published the source code for our solution under an open-source licence.

“With Procivis One, we are catering to the global market, with a particular focus on the EU, Switzerland and the US.”

Why was the source code released?

The eIDAS 2.0 regulation, adopted by the EU in 2024, stipulates that solutions must be open source, as does the new draft law for the government-issued eID in Switzerland. This is because governments and authorities want to remain independent of the big technology companies, and software is considered to be more trustworthy and secure if anyone can check it for back doors and potential flaws.

A provider that wants to have an effect in the public sector must make its source data transparent.

What was the market launch of Procivis One like for you?

We are focusing on three markets: Europe with eIDAS 2.0, Switzerland as our home market and, since 2024, the US with the DHS project. All three markets are different. But the one thing they have in common is that they are still in development and there are no established competitors yet.

Europe set the ball rolling in 2024 with the adoption of the eIDAS 2.0 legislation. All member countries must implement the new regulation within two years. The time for waiting and pilot projects is now definitely over.

In the last few months and weeks of 2024, we felt the market gaining momentum. We invested a great deal of time in promoting Procivis One in Europe, and our efforts are now paying off.

What does the solution package developed by Procivis look like?

We have created Procivis One with six qualities that make our product unique.

The first is that our solution is 100% flexible and independent of future technical standards that are only slowly emerging, such as for protocols. This ensures that our customers have a future-proof solution.

Second, our solution is enormously scalable, meaning it would work in countries with millions of potential users and millions on millions of digital credentials.

Third, we guarantee secure and long-term support aligned with the needs of public authorities and private businesses. This is important because the eIDs have a lifespan of 10 to 20 years. Customers can see us as a reliable partner that will still be around in 20 years from now.

Fourth, our software can be installed on different systems and in different locations, such as a government data centre, in a cloud environment or on a company's server. We are not reliant on major providers such as Amazon, Google or Microsoft. This is hugely important in the public sector.

Fifth, Procivis One meets all the requirements of "privacy by design". This means that the user's personal data is stored only on the user's smartphone.

What happens if I lose my smartphone?

What do you do if you lose your driving licence? You contact the relevant authority and order a replacement. That's also how it works with a mobile driving licence. We provide the technology. When, how quickly and how easily you can get your driving licence back is up to the issuer – in this case, the driver and vehicle licensing office.

This brings me to the sixth feature of Procivis One. We provide all the components for issuing, storing and verifying digital identities or credentials; we support the verification requirements of many different organisations, such as a bank when opening an account or a car rental company that needs to know whether you have a valid driving licence.

The combination of these six qualities makes Procivis One unique on the market and opens up countless potential applications.

Which customers are you targeting, and what does the future hold for Procivis One?

Business to government, or B2G, is the clear focus for 2025. Authorities provide the basic infrastructure without which there would be no private sector.

Our timing is perfect. Regulation in the EU is now coming into effect, as we anticipated. In contrast to Switzerland, every country in Europe has had a government-recognised digital ID system for many years. The EU eIDAS 2.0 regulation will not simply replace the established systems. They will run in parallel for the next 10 to 15 years in order to exploit the significant investments made in recent years. That's why we offer EU countries technical solutions to adapt their existing systems to the new legal requirements.

As soon as the infrastructure is in place, we will of course turn to the private sector, such as banks, telecommunications companies and many other industries – whoever wants to issue and verify credentials. Momentum will start to build in the private sector as soon as the public sector has established the foundations.



Andreas Freitag is an electrical engineer and holds a master's degree in economics. Before becoming Co-CEO of Procivis alongside Désirée Heutschi at the end of 2023, he worked for many years in consulting, including at Accenture and EY.

The year in pictures



The teams from Orell Füssli Security Printing and ZEISER attended the Global Currency Forum in Muscat, Oman.



Daniel Link presented the Orell Füssli Group to an audience of industry experts and qualified investors at the Investora 2024 capital markets conference.



The management of the Orell Füssli Group met for a two-day retreat on the subject of "value-based management" at Lake Constance.



After serving for 13 years on the Board of Directors, Dieter Widmer received a warm send-off from shareholders at the 134th Ordinary General Meeting.



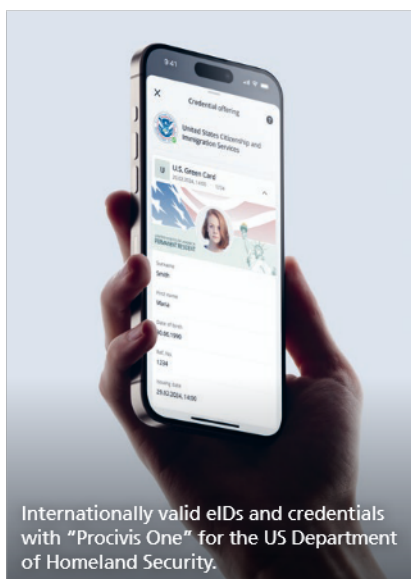
The ID experts from Orell Füssli Security Printing welcomed authorities and suppliers from around the world to their booth at the ID4Africa conference in Cape Town, South Africa.



Successful première of the Orell Füssli conference "Sportrecht aktuell" at the home of FIFA in Zurich.



The inaugural BookLove Festival, featuring international and national authors, took place at the Bernhard Theater in front of 400 guests.



Internationally valid eIDs and credentials with "ProCivis One" for the US Department of Homeland Security.



"Globi im Museum": with a replica sword and exciting discoveries, the book inspired both young and old at the event held at the Swiss National Museum in Zurich.



Publishers, industry professionals and literature fans from across the globe gather annually at the world's largest book fair in Frankfurt. The Orell Füssli Publishers team was there, too.



Zeiser with a booth at the Drupa exhibition, which takes place only once every four years. A global hotspot for the printing and packaging industry.

Course of business

In the 2024 financial year, the Orell Füssli Group recorded further growth in both revenue and EBIT.

The Group's financial statements for 2024 closed with revenue of CHF 252.5 million (previous year: CHF 232.2 million). The operating result (EBIT) amounted to CHF 22.6 million (previous year: CHF 18.1 million). The EBIT margin stood at 8.9% (previous year: 7.8%). Net profit totalled CHF 17.5 million (previous year: CHF 14.6 million). The financial result of CHF -0.8 million (previous year: CHF 0.3 million) was influenced by movements in the EUR/CHF and USD/CHF exchange rates, as well as valuation effects from open hedging positions.

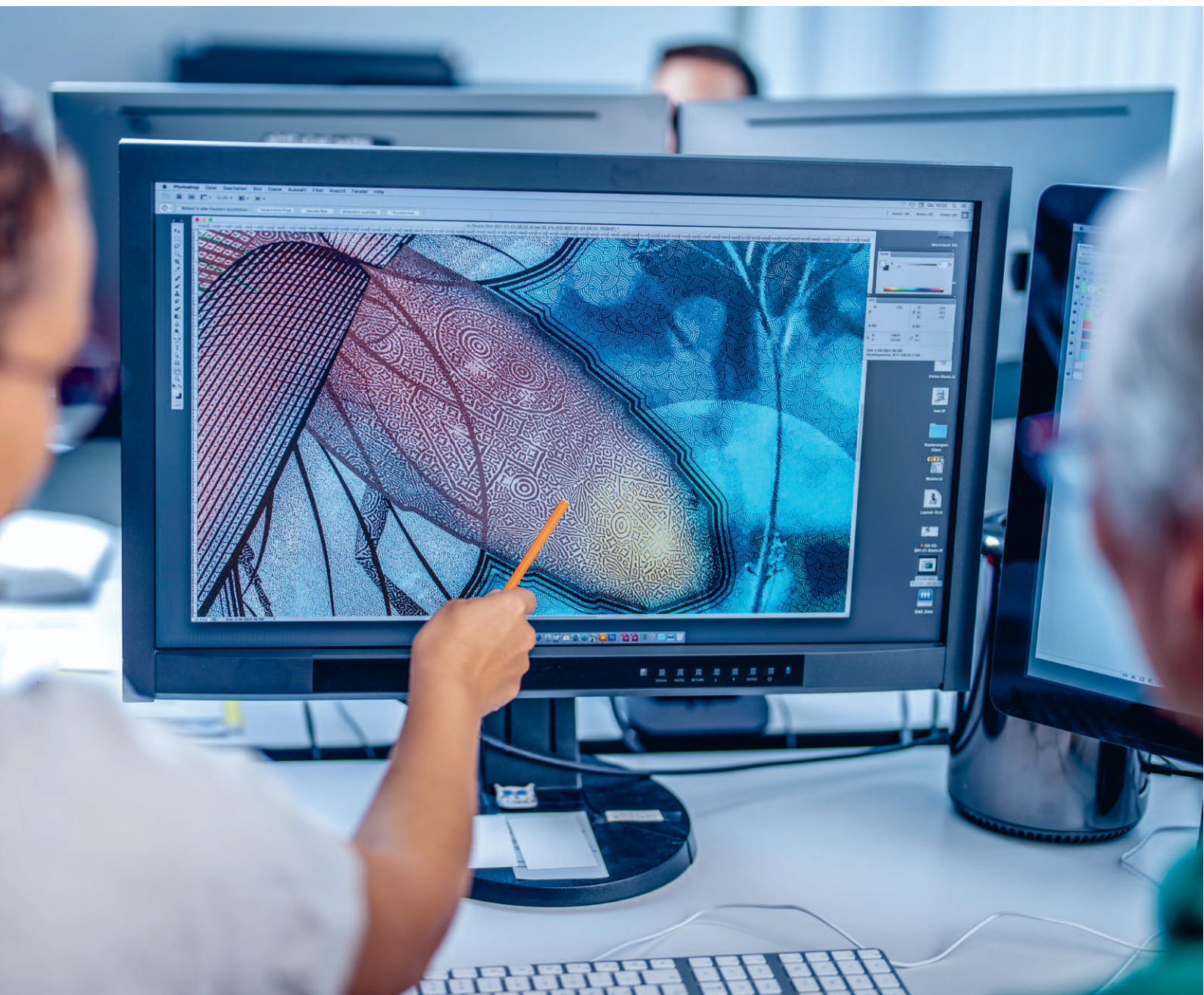
At CHF 140.8 million (previous year: CHF 132.1 million), the Group's balance sheet continues to have a comfortable equity (including minority interests). The equity ratio as at 31 December 2024 decreased slightly to 73.8% (previous year: 74.0%). Investments were financed from the operating cash flow. The freely available liquidity after deduction of minority interests increased by CHF 6.6 million to CHF 37.9 million.

SEGMENT DATA

in CHF thousand	2024	2023	2022	2021	2020
Security Printing					
Revenue from sales to customers	86,432	77,152	70,439	73,824	87,301
Operating earnings (EBIT)	12,887	10,587	9,669	6,119	5,511
EBIT margin	14.9%	13.7%	13.7%	8.3%	6.3%
Industrial Systems					
Revenue from sales to customers	24,848	21,589	20,948	25,317	24,790
Operating earnings (EBIT)	3,522	3,553	925	5,540	5,291
EBIT margin	14.2%	16.5%	4.4%	21.9%	21.3%
Book Retailing					
Revenue from sales to customers	124,293	117,480	112,174	103,300	96,213
Operating earnings (EBIT)	9,265	7,950	9,254	7,452	5,505
EBIT margin	7.5%	6.8%	8.2%	7.2%	5.7%
Other business areas					
Revenue from sales to customers	17,321	16,461	13,702	7,741	10,283
Operating earnings (EBIT)	-891	-902	-868	-33	1,017
EBIT margin	-5.1%	-5.5%	-6.3%	-0.4%	9.9%



Banknotes printed by Orell Füssli feature a protective coating that increases their durability and wear-resistance, and thus their lifespan in circulation.



The aim of banknote design is to produce secure and visually appealing banknotes that represent the country's values and also prevent counterfeiting.

Security Printing

Result

In 2024, Orell Füssli Security Printing increased its revenue and its operating result before interest and taxes (EBIT) significantly compared with the previous year. At the end of the reporting year, revenue totalled CHF 86.4 million (2023: CHF 77.2 million). Operating profit (EBIT) came in at CHF 12.9 million (2023: CHF 10.6 million). In addition to the strong order volume, the positive result was also influenced by the advantageous product mix and low rejection rate. The expectations for the Security Printing Division communicated at the beginning of the reporting year were clearly exceeded.

Identification Documents

The production of the new Swiss passport and driving licence went according to plan. In August 2024, the driver and vehicle licensing office in Bern issued the millionth latest-generation Swiss driving licence. The durable polycarbonate card and its high-security design meet all international and European standards for driving licence security.

Orell Füssli Security Printing successfully completed a further project in the visa systems and passports business in the reporting year. It also continued to work on product solutions with a stronger digital focus.

“The strong order intake led to full capacity utilisation in production.”

Dr Michael Kasch, Managing Director, Security Printing

Banknotes

The strong order intake in banknote printing led to full use of production capacity. The proportion of exports was again high in the reporting year. Orell Füssli Security Printing supplied banknotes primarily to central banks of countries in the Global South, and also to anchor customers such as the SNB.

Despite ongoing digitalisation and the rise of cashless payments, demand for banknotes is steadily increasing worldwide. Latin America, Africa and parts of Asia are experiencing particularly high growth rates. Even in the western world, the volume of banknotes continues to grow at a moderate pace. According to a survey of Swiss companies conducted by the Swiss National Bank in 2024, cash is still by far the most accepted form of payment.

Innovation

At the Global Currency Forum in Muscat, Oman, Orell Füssli presented BEES® (Banknote Environmental Evaluation Software) for the first time, a consultancy service that helps central banks to determine the environmental footprint of a banknote. BEES® enables assessment of the environmental impact of banknote production based on the substrate, design and security features of the banknote. This globally unique service provides central banks with a means of systematically integrating sustainability aspects into the early stages of banknote design. Read more in the Sustainability Report on page 32.

An Orell Füssli research project investigated whether AI tools based on current research could convincingly enhance the appearance of a portrait on a banknote. The project was first presented in September 2024 at the Security Designers Forum (SDF) in Warsaw, Poland. It examined how well AI-assisted 3D morphing could change the properties of a production-ready engraved portrait. The results were impressive: only minimal retouching was required before production, which eliminated the need to create and draw a new facial model. The technology can also be used to optimise nature images or other banknote motifs, thus helping central banks to save time and money.

At the Security Designers Forum, Orell Füssli also provided insights into the development of a new smartphone app that can be used by the public to check the authenticity of banknotes.

Outlook

The order situation in Security Printing at the end of the reporting period bodes well for the 2025 financial year and suggests revenue could exceed the level of 2024. Orell Füssli expects demand for banknotes to remain high. In 2024, the Swiss National Bank launched a design competition as the first step in the development of a new banknote series. Orell Füssli hopes to have the opportunity to produce this new series in the coming years, as it did for the eighth and ninth series.

Industrial Systems

Result

Zeiser operated at very high capacity in 2024 and met its targets with revenue of CHF 24.8 million (2023: CHF 21.6 million) and operating profit of CHF 3.5 million (2023: CHF 3.6 million).

Market

The order intake for banknote and passport serialisation again exceeded expectations. Furthermore, orders for the production of ID documents created a solid pipeline for 2025. Business with tax stamp printing companies was encouraging. Demand for spare parts and consumables was slightly lower than in the previous year, due to cost-cutting measures in many countries.

Enquiries for the track & trace system continued to increase. Several reference systems are already in operation at passport manufacturers. The first track & trace system for banknote printing at Orell Füssli Security Printing is scheduled to go live in 2025.

At Zeiser, the ramp-up for new large-scale orders for the real-time tracking, reporting and audit system "Harmony" is in full swing. The acquisition of such systems is a long-term decision for companies and involves significant investment. This means that in state-owned enterprises many departments are involved in the decision-making process.

Innovation

A machine with laser technology for perforating banknotes with microscopic holes was put into operation at the end of the reporting year. It is the first of its kind to be fully manufactured by the Orell Füssli Group. This security element, called "Microperf", is in high demand in security printing. It was developed by Orell Füssli, and Zeiser is now in a position to supply the relevant systems.

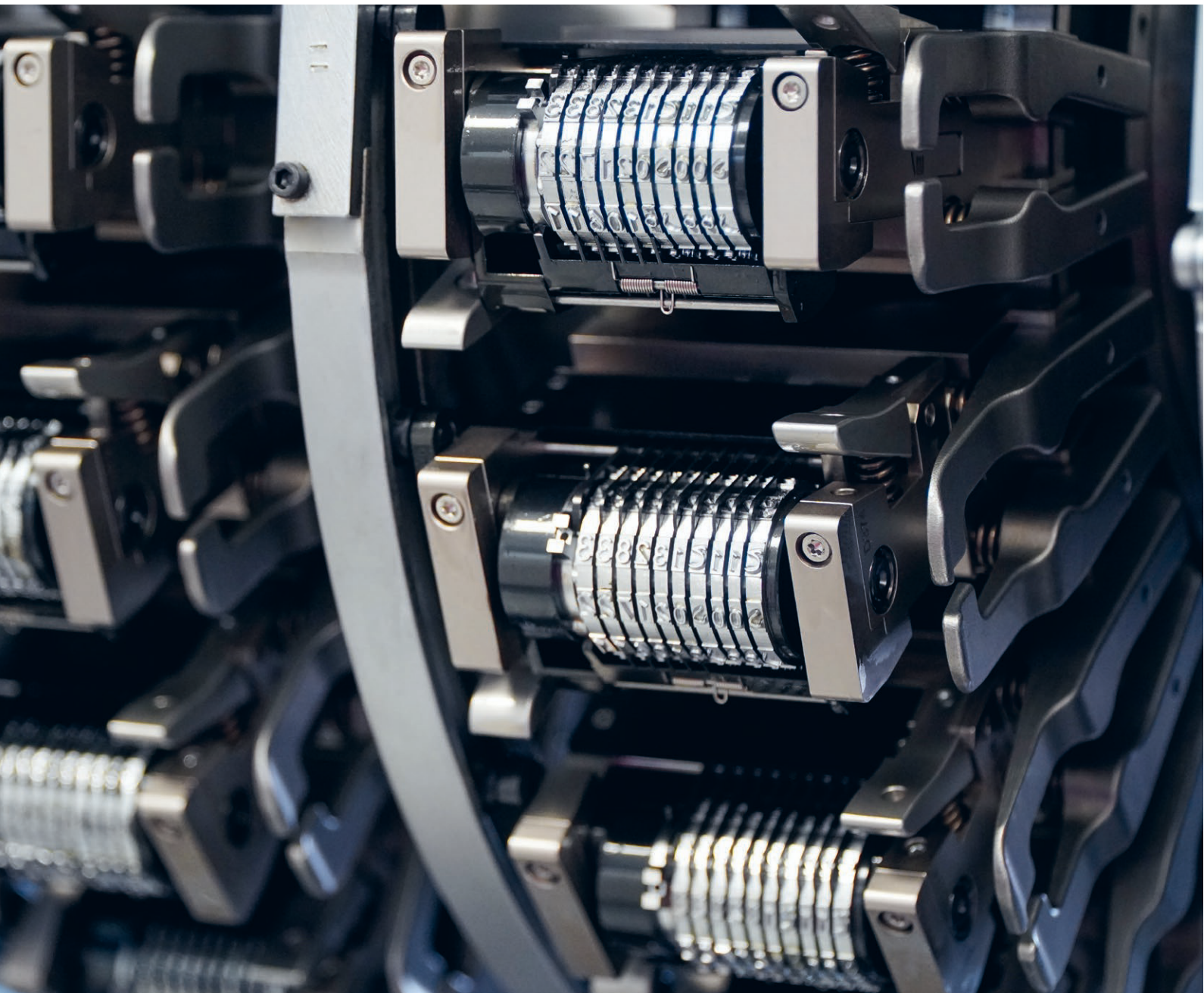
Zeiser ushered in a new era of sequential numbering in 2024 with its newly patented KX numbering box. Its main advantage: it can be installed in the printing press without tools and adapted flexibly to different font sizes. The new technology reduces both investment and operating costs for maintenance, cleaning and set-up for a print run.

In 2024, a new mechanical processing machine that uses a laser to produce high-precision engraving for numbering boxes was integrated into the existing production facility. It enables fonts as small as half a millimetre to be displayed. Zeiser thus offers industrial customers greater freedom to implement complex design elements in security documents.

"Thanks to its innovative strength, Zeiser is able to impress the market with a range of new products."

Thorsten Tritschler, Managing Director, Zeiser GmbH

The efficiency improvement programme launched in the previous year had a positive impact. Operating costs were within the target range. Marketing expenses were lower than budgeted, as exhibition space was reduced at various events and cost savings were achieved through standardised trade fair and conference booths.



Zeiser manufactures high-precision numbering boxes for banknotes and security documents. The specially developed software ensures that duplicates in serial numbering are avoided.

In addition to Drupa, Zeiser also participated in conferences for the security printing industry in Bangkok, Muscat, Amsterdam and Santiago de Chile in 2024. The track & trace system "Harmony" attracted a great deal of interest from industry professionals.

Outlook

Orell Füssli is expecting growth in the Industrial Systems business area in 2025. Sales agreements for larger plants with the track & trace solution are expected to be concluded in the coming year. The launch of a new hardware and software platform that will allow the integration of different technologies required for the serialisation of security documents is imminent.

Book Retailing

Result

The proportionate consolidated revenue of Orell Füssli Thalia AG amounted to CHF 124.3 million in 2024 (previous year: CHF 117.5 million, representing growth of 5.8%). The proportionate consolidated operating result (EBIT) amounted to CHF 9.3 million (previous year: CHF 8.0 million).

In 2024, Orell Füssli Thalia opened a total of six new bookstores in high-footfall locations, including Chur, Aarau, Winterthur and Zug railway stations, and Letzipark shopping centre in Zurich. In Uster, a store was opened in the lively shopping district close to the railway station. As part of their succession solutions, Orell Füssli Thalia AG acquired a further Buchparadies branch in the Mall of Switzerland in Ebikon as well as the Rapunzel bookstore at Liestal railway station.

The omni-channel strategy gives rise to synergy effects between brick-and-mortar and online retail. This approach proved to be effective once more in 2024. More than 10% of all online customers have their orders delivered to a store of their choice. E-commerce revenue again increased significantly compared with the previous year. Growth in the digital business with e-books and e-readers grew above expectations. This was due in part to the personal advice and service offered in the bookstores, which sets Orell Füssli apart from the competition. The partnership entered into in 2022 with Skoobe, the established provider of e-book subscriptions in German-speaking countries, continues to develop encouragingly.

"Despite the challenging environment, revenue from book retailing increased again across all channels."

Pascal Schneebeil, CEO, Orell Füssli Thalia AG

Market situation

Orell Füssli Thalia AG has been continuously extending its market leadership in Swiss book retailing for years.

Subdued consumer sentiment, which reached its lowest levels in autumn 2024, weighed heavily on the entire retail trade in Switzerland. Revenues from the book trade in German-speaking Switzerland stagnated. Despite this challenging environment, Orell Füssli Thalia AG's brick-and-mortar business recorded further growth. This was attributable to the expansion of the branch portfolio and the consistent implementation of an omni-channel strategy.

In the highly competitive book retailing with business customers, Orell Füssli again managed to hold its own with Delivros Orell Füssli AG. The range of digital teaching materials and tailored customer solutions made a significant contribution to this success.



The store network in brick-and-mortar book retailing was also expanded in 2024. In spring, Orell Füssli Thalia and Schuler Bücher opened a joint bookstore in Chur.

Strategy and growth prospects

The figures for all customer loyalty programmes of Orell Füssli Thalia increased in 2024. The measurable success of initiatives aimed at a young audience is particularly encouraging. These include the Children's Club for children up to the age of 12, the Young Circle for teenagers and the Education Card for students.

The Orell Füssli Book Circle celebrated its fourth anniversary in the reporting year. In this reading community, more than 25,000 book fans per month interact with each other online. They create their own personal bookshelf, rate books and take part in reading groups.

In 2024, a total of 710 readings with numerous authors and other events for book fans took place in stores. Orell Füssli's offer to provide local members of the #booktok fan community with venues for readings and panel discussions was also popular. #booktok is the book corner of the video platform TikTok and currently has 2.5 million users across Switzerland.

In November, Orell Füssli Thalia AG received the Swiss Retail Award at the Retail Forum of the Swiss Council of Shopping Places (SCSP). This award goes to companies in Switzerland that have had a significant influence on the retail sector over the years and consistently achieved outstanding business results.

Outlook

More store openings are expected in 2025, which will lead to further growth in revenue. Consumer sentiment is also expected to improve.

Other business areas

Orell Füssli Publishers

Result

The revenue of the publishers developed positively and in line with expectations. hep Verlag slightly exceeded its growth targets. Legal media experienced some isolated project delays, and part of the revenue will be recognised in the 2025 financial year. Thanks to strict cost management, the children's book publishers achieved the target operating profit despite the subdued consumer sentiment. The prices for electricity, gas and printing paper more or less stabilised. The publishers' production costs returned to the normal range, which had a positive impact on the gross profit margin.

Learning media

The content of the digital teaching and learning platforms for retail professionals and apprentices was largely completed, including new features for self-study and teacher support. In the retail sector, the range of courses is complete for all apprenticeship years and an AI-assisted training programme for qualification procedures is in development. For commercial professions, the options "Communication in the national language", "Finance" and "Technology" are also being developed.

In the pedagogy programme, the many new releases in 2024 included "L'école, c'est moi", a book that presents innovative approaches to democratic and participatory teaching. The pedagogy programme addresses current topics in this field and provides practical support for teachers in their work.

The first educational conference "Wellbeing und Schule", held by hep Verlag in Zurich in November, focused on the health of teachers in the workplace and stress prevention. The training day was completely sold out, with 120 participants.



In addition to publishing a large number of new releases, hep Verlag also maintains close relationships with teachers and other professionals.

“Orell Füssli Publishers are achieving considerable success in the market with their portfolio.”

Martina Barth, Managing Director, Publishers Division

Legal media

The highlights of Orell Füssli legal media in 2024 included the printed edition of “Kaufmännische Ausgabe ZGB/OR”, the commercial version of the Swiss Civil Code and Code of Obligations. The new edition of the standard reference work once again ranked among the three best-selling books in Switzerland.

To raise awareness of the more than 50 practice books and revision guides, Orell Füssli legal media strengthened its collaboration in 2024 with student associations at the law faculties in Basel, Bern and Zurich.

A team of 31 experts from a well-known law firm published the new release “Sustainable Finance in Switzerland” through the legal publisher. The book provides an overview of regulatory developments and innovations in this area, and addresses a highly relevant topic in the Swiss economy.

Orell Füssli legal media launched two new symposia series for legal practitioners under the titles “Sportrecht aktuell” (sports law) and “Personalrecht aktuell” (employment law). These first two events for a paying audience were attended by 120 people.

The beta version of the “JusBase” research platform performed well in an initial trial in the reporting year. It provides digital access to about 30 legal commentaries from Orell Füssli legal media, along with extensive case law from federal and cantonal courts.

Children’s books

2024 again saw various partnerships and collaborations formed for book and other projects. “Globi trifft Menschen aus der Schweiz” (Globi meets people from Switzerland) is a very special non-fiction book for children. On his travels through the country, Globi encounters 44 well-known, historical and quintessentially Swiss characters. The book has been well received by critics.

Globi and its creators took part in the Cybathlon in Zurich to mark the launch of “Globi und die Roboter” (Globi and the robots). The publisher collaborated with ETH Zurich for this sporting event, during which researchers used assistive technology for people with disabilities.

In 2024, Globine was honoured with two stamps by Swiss Post from its philatelic range. Along with her role as the mascot of ETH Science City (the popular educational programme for children and young people at ETH Zurich), this has further strengthened the value of the brand.

Papa Moll also had a strong media presence with his new title and the launch at the big Papa Moll festival in Bad Zurzach. Globi Verlag’s partnerships, such as that with Bad Zurzach, play a key role in brand awareness. The physical presence of the figures makes it considerably easier to reach end customers.

Outlook

The foundations have been laid for the further growth of the publishers in 2025. In addition, many initiatives with a longer-term horizon are underway. For example, the “future skills” project of hep Verlag addresses the question of which skills children and young people will need in the future. Furthermore, in view of the planned reform of general vocational training, Orell Füssli will begin to offer a relevant range of teaching and learning media.

In legal medial, the above-mentioned event series will be continued and expanded in 2025. The “JusBase” research platform will go live in the first half of 2025.

The pipeline of planned and ongoing publications and collaborations in the children’s book sector extends through to 2028.

Procivis

For Procivis, 2024 was a very eventful year. With the newly launched software solution “Procivis One” for digital identities and credentials, several customer projects were secured and completed.

An example is the project with the US Department of Homeland Security (DHS). As part of an innovation programme, Procivis worked on the development of digital components for open-source wallets and verifiers for decentralised digital identities. “Procivis One” was used for this project and developed further. The award of the contract underlines the DHS’ confidence in Procivis’ expertise and the quality of the software solution.

in Zurich, and at the federal government’s eID participation meeting in Bern.

“Procivis One” has supported all relevant international standards in a technological capacity since the autumn. In addition, an app has been developed as a mobile verifier for third parties to verify digital credentials. It is also worth mentioning that an external security audit was carried out in 2024, during which Procivis software was checked for security vulnerabilities and risks. It was shown that the software has a very good security standard.

“Several customer projects were executed with the new software solution Procivis One.”

Désirée Heutschi, Head of Corporate Development / Co-CEO Procivis

Another example is an innovative project in Switzerland. In September 2024, the city of Zug became the first public authority in Switzerland to issue digital credentials that already meet the requirements to be implemented in the Swiss eID ecosystem from 2026.

This system in Zug affects more than 500 teachers, who receive a digital ID card and can use it to obtain discounts in certain shops. The efficient solution replaces the physical card and simplifies the sales process. Further applications are already being planned. As a result, Zug can make administrative processes more efficient and ensure compliance with legal requirements. Procivis is also supporting the digitalisation of the city of Zug with innovative approaches.

As an expert in decentralised digital identities and credentials, Procivis was a welcome guest at national and international events in 2024. Representatives of Procivis gave keynote speeches and took part in panel discussions at industry conferences in Europe, such as the European Identity and Cloud Conference (EIC) in Berlin, in the US on the stage of the DHS SVIP Demo Week, at the digital Identity Conference Europe (DICE)

Outlook

Regulatory changes with the introduction of eIDAS 2.0 in Europe and the adoption of the Swiss eID law (BGEID) are driving the development of secure, standardised digital identities and credentials.

EU member states will have to provide their citizens with digital identity wallets by the end of 2026, and companies such as banks must accept them by the end of 2027. An ecosystem is also set to develop in Switzerland with the planned introduction of the eID in early 2026. Procivis has geared its software solution “Procivis One” towards these markets and, as mentioned, has already launched numerous successful projects. In 2025, the focus will be on the public sector, followed by the development of the private sector, which Procivis will also support.

Sustainability Report 2024

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Banknote substrate is made of either cotton or polymer, or a combination of both.

This report was prepared in accordance with the standards of the Global Reporting Initiative (GRI). In line with the GRI standards and the regulatory provisions on non-financial reporting (Swiss Code of Obligations), it contains introductory information on the strategy, business model and sustainability approach, followed by an explanation of the material sustainability topics and climate reporting in accordance with TCFD recommendations.

Orell Füssli's non-financial reporting is published annually as part of the Annual Report and can be viewed as a separate PDF document on the company's website (www.orellfuessli.com/en/sustainability).

The Sustainability Report has not been externally audited.

The sustainability report includes all companies consolidated in the Annual Report. It will be published on 14 March 2025 and submitted to the Annual General Meeting for approval on 13 May 2025.

1 Corporate responsibility

1.1 Business model

Orell Füssli AG, with its headquarters in Zurich, is one of the oldest companies in Switzerland, with a history going back more than 500 years. It can trace its origins to the printing house of Christoph Froschauer, which published works by important authors during the Reformation in Zurich at the start of the 16th century. Among the best-selling books were also various editions of the Bible. The Zwingli Bible, printed in 1531, became particularly famous. Zürcher Zeitung, now known as NZZ, was published from 1780 onwards. At the start of the 19th century, the company started producing securities, followed by stamps and banknotes. Orell Füssli is a pioneer in security printing and education.

The company has repeatedly repositioned itself over the years. Today, the Group consists of four business segments:

- Security Printing
- Industrial Systems
- Book Retailing
- Other business areas

The company works hard to strengthen the core business in the four business segments through focus, a lot of initiative and targeted acquisitions. The figure below shows the business units.

Security Printing	Industrial Systems	Book Retailing	Other business areas	Not assigned
Orell Füssli AG (OFS)	Zeiser GmbH Zeiser Inc. Zeiser Ltd. Zeiser SRL	Orell Füssli Buchhandlungs AG Orell Füssli Thalia AG Delivros Orell Füssli AG Lehmanns Media AG	Orell Füssli AG, Verlage (OFV) hep Verlag AG Procivis AG Procivis GmbH	Orell Füssli AG, Group functions (OFC)

Orell Füssli offers a range of services in the Security Printing business segment, which handles the production of banknotes and identification documents, such as passports, visas and driving licenses. We also pursue research and development projects to advance our core products, both in response to customer demand and proactively. Advisory services are also available to a more limited extent. The customers in this segment are central banks and governments. In addition to the Swiss National Bank (SNB), our anchor customer, we have built up a wide, globally distributed portfolio of customers in recent years. To produce these products, Orell Füssli collaborates with a small number of highly specialised suppliers. Usually, customers specify the colours, substrates and security features to be used, along with the suppliers whose products must be used for the production. Therefore, materials are usually obtained only from certain, predefined and certified suppliers for each order. The majority of suppliers are in Europe. In order to meet customer requirements in terms of safety or delivery deadlines, air transport is sometimes unavoidable.

In the Industrial Systems business area, Orell Füssli provides technology and products to the security printing industry. This includes the development, implementation and deployment of hardware and software to give security documents a clear, unambiguous and traceable identity; for example, numbering machines, perforation systems and inspection solutions in manufacturing processes. It also supplies precision mechanical components for installation in security printing machines, and systems such as passport manufacturing machines, which are assembled from various components.

High-grade steel is a critical raw material in the Industrial Systems business segment. This is sourced exclusively from Germany. There are two types of hardware components: high-end speciality products, such as cameras and scanners, for which only a few providers exist worldwide, and standard trading goods, which are purchased from long-standing partners, mostly in the EU.

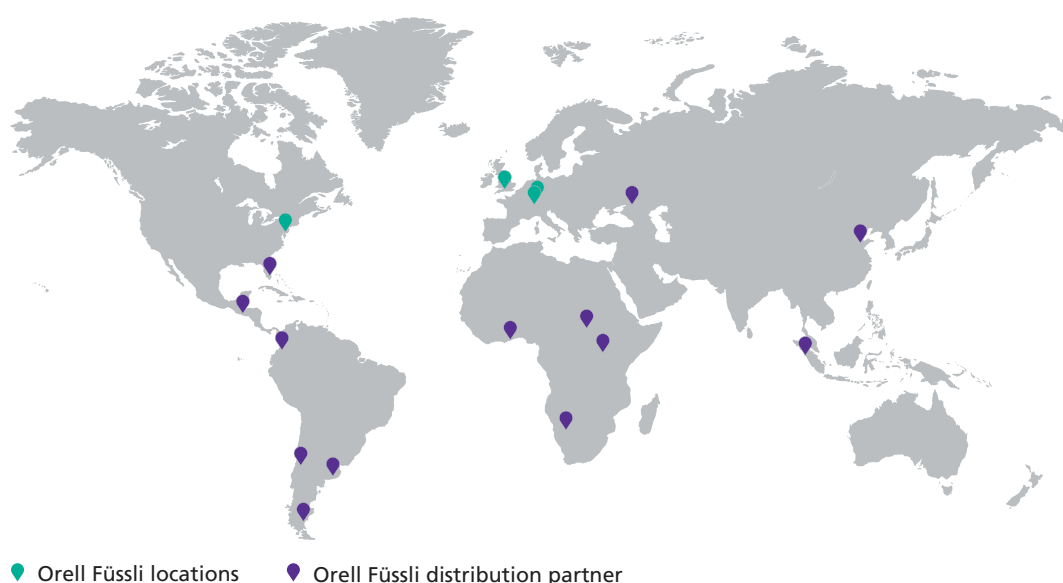
Book Retailing deals with a wide range of books and digital media. These are sold in line with an omni-channel strategy via retail shops and a dedicated online shop, to both retail and business customers. In the B2B sector, Orell Füssli Thalia AG, and its subsidiaries, is the leading provider in Switzerland for the procurement, distribution and use of books and their electronic contents for companies and educational institutions.

Orell Füssli Thalia AG, which is held as a joint venture, has a management team which is independent of the Orell Füssli Executive Board. The Orell Füssli Group exercises its influence via a seat on the Board of Directors and the exercise of shareholder rights. Orell Füssli Thalia AG draws up its own policies and regulations. However, the basic focus does not deviate from the group policies to any significant degree. In the following, it is specified which documents a statement refers to. Unless explicitly stated otherwise, the statements refer to Orell Füssli AG and its majority shareholdings. As in the Annual Report, the figures reported include the consolidated figures of the Group, with the figures for Orell Füssli Thalia AG proportionately consolidated; i.e. exactly half are taken into account. If the calculation method differs, an explicit note is included to this effect.

Book Retailing obtains its books primarily through a book centre in Switzerland, and as a retailer does not have any influence on the book production process. Another major book wholesaler is located in Germany (LIBRI). The Non-Book division purchases its goods, which include games and food, from a small number of intermediaries that have accepted Orell Füssli Thalia's delivery terms.

Orell Füssli Publishers and Procivis are grouped under Other business areas. The publishers publish children's books, legal media and learning media under the "Orell Füssli" and "hep" names, supplemented by a specific digital offering. In the publication business, Orell Füssli is involved in book production and selects the paper suppliers and printers itself. Procivis supplies software solutions for secure, verifiable digital credentials for the complete digitisation of services and processes for authorities and companies. "Procivis One" is a decentralised eID software solution that meets the high demands of companies and government institutions for digital identities. The modular all-in-one solution is also attracting international interest in the market and now counts the US Department of Homeland Security its customers. To meet the requirements of government contracts, an open-source licence is also available.

LOCATIONS OF ORELL FÜSSLI AND ITS SALES PARTNERS



1.2 Sustainability at Orell Füssli

Orell Füssli is committed to sustainable corporate development that combines economic, environmental and social responsibility. Sustainability management is based on the annual sustainability reporting. Building on the first Sustainability Report (2022), Orell Füssli has drawn up a multi-year plan for the systematic ongoing development of its sustainability management. In 2024, the focus was on developing key performance indicators (KPIs) and targets for the material topics and on expanding non-financial reporting in line with climate reporting requirements. On the basis of the sustainability strategy, measures are defined on an ongoing basis, the central KPIs are measured and the strategy is reviewed regularly. The underlying data is also continuously improved. The sustainability strategy and the multi-year plan to 2028 will be further developed in 2025.

	2022	2023	2024	2025+
Board of Directors	Commissioning of development of a sustainability strategy	Finalisation and approval of the sustainability strategy Approval of the non-financial report	Monitoring the implementation of the sustainability strategy	Review of the updated sustainability strategy, monitoring of implementation
Executive Board	Development of the sustainability strategy	Implementation of the sustainability strategy	Implementation of the sustainability strategy	Further development of the sustainability strategy and implementation
Sustainability management	Collection of information and initial data, report design, establishment of reporting system	Data monitoring	Climate reporting, performance measurement, reporting and implementing initiatives	Performance measurement, reporting and implementing initiatives

Figure: Multi-year plan with responsibilities in sustainability management

1.2.1 Organisation and responsibilities

In its multi-year plan to establish systematic sustainability management, Orell Füssli assigned clear responsibilities to the Board of Directors and Executive Board. The Audit Committee of the Board of Directors oversees sustainability activities. The Board of Directors has transferred responsibility for sustainability management and the relevant reports to the CFO.

In the reporting year, the Board of Directors again took part in a sustainability training session as part of a Board meeting. Led by a specialist consulting firm, this training focused on climate reporting, which Orell Füssli was required to do by law for the first time in 2024.

To assess its performance, the Board of Directors of Orell Füssli conducts an annual self-evaluation.

1.2.2 Dealing with stakeholder groups

Orell Füssli works with a large number of different customers, suppliers and other stakeholder groups. These range from public authorities to central banks, machine manufacturers, libraries and law firms to end users who buy a book in a bookshop or online.

Individual and face-to-face contact is common practice with industrial clients, and Orell Füssli maintains dialogue with clients in the book retailing sector, both at points of sale and via customer service. Client contact is also cultivated at trade fairs and professional events.

The supplier structure within Orell Füssli is very diverse due to the different business models of the Group companies. Each business segment maintains its own supplier network.

Orell Füssli has been listed on the Swiss Stock Exchange since 1897 (see Corporate Governance Report, page 68). Shareholders receive first-hand information at the Annual General Meeting, which is held in person whenever possible. Orell Füssli also communicates relevant information on the course of business and its strategy in press releases, the Annual Report and analyst conferences. This ensures that all shareholders are always provided with transparent information at the same time.

Orell Füssli's employees work at a large number of locations and in different time zones. At the same time, each professional group has different interests and needs. To ensure all employees have access to the necessary information simultaneously and quickly, Orell Füssli uses various communication channels in parallel. Employees are also given the opportunity to ask questions in order to better understand decisions. In addition to video messages from the CEO, video conferences and an internal communication platform (intranet), the company also uses personal information events organised by local management teams or direct written communication in the form of email and letters.

Engagement through memberships and participation in political processes

Orell Füssli actively participates in political processes when they concern business-relevant issues. An example is the planned realisation of a state-recognised electronic proof of identification (eID) in Switzerland. Orell Füssli actively contributed to this initiative by sharing its knowledge and experience during the consultation process. Apart from the relevant issues, Orell Füssli is not politically active and does not make any donations to political parties. However, the company maintains a network of partnerships. Essential memberships include:

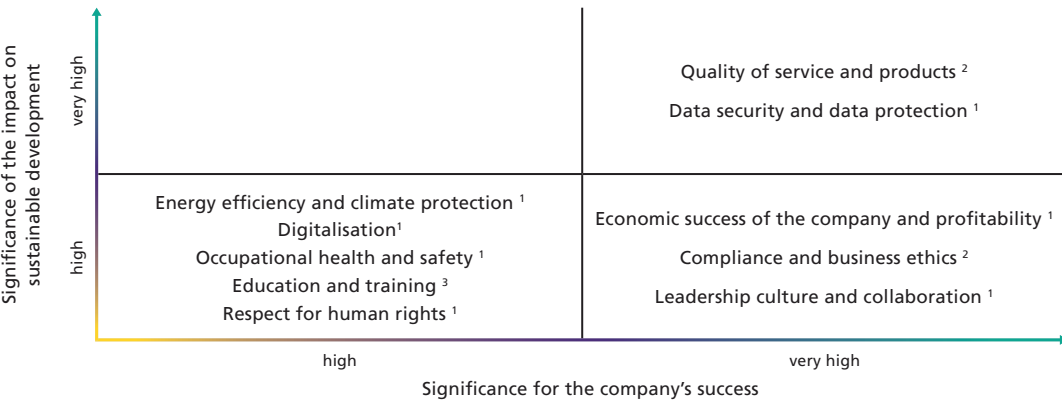
- **Swiss Retail Federation** Orell Füssli is a member of the Swiss Retail Federation. This organisation represents the interests of retail companies to politicians and the public.
- **Swiss Booksellers and Publishing Association (SBVV)** The SBVV represents the interests of the book industry to authorities and politicians in matters relating to cultural and economic policy.
- **Intergraf** Intergraf is a business association that represents and protects the interests of the graphic industry at European level.
- **International Currency Association (ICA)** The ICA is a global trade association for the security printing industry and represents its interests, particularly in the area of banknotes.
- **Banknote Ethics Initiative (BnEI)** The Banknote Ethics Initiative (BnEI) is an initiative aimed at promoting ethical business practice with a focus on corruption and compliance with antitrust laws in the banknote industry (voluntary initiative; compliance with regulations/guidelines is verified by independent entities).
- **International Association of Currency Affairs (IACA)** The International Association of Currency Affairs (IACA) is an international monetary policy association. It works hand in hand with the public and private sectors. The goal is to facilitate international exchange for consultation and collaboration, taking into account the interests of the various stakeholders in the cash payments cycle.
- **Energy Agency for Industry (EnAW)** The EnAW is an association founded in 1999 by the Swiss business associations that aims to consistently improve energy and resource efficiency in the economy.
- **Trade Association of Industrial Companies in Baden (WVIB)** The WVIB is a business association for medium-sized industrial companies that supports knowledge exchange, offers regional wage comparisons and functions as an internal reporting centre for whistleblowers.
- **International Tax Stamp Association (ITSA)** The ITSA is an organisation that advocates for a better understanding of the benefits of tax stamp and traceability systems.
- **Digital Identity and Data Sovereignty Association (DIDAS)** DIDAS is a non-profit organisation dedicated to establishing and promoting Switzerland as a leading ecosystem for the development and adoption of privacy protection technology, services and products that preserve and use digital identity and electronically verifiable data.

1.2.3 Material topics

Orell Füssli’s business activities may have positive and negative impacts on the economy, society and the environment. At the same time, global trends present both opportunities and risks for Orell Füssli. The gradual establishment of environmental, social and governance aspects as a firm component of the company’s strategy, objectives, organisation and processes is broad-based. As a basis for its systematic sustainability management, Orell Füssli identifies the key topics itself. This helps to minimise negative impacts, strengthen positive effects, identify future trends and challenges at an early stage and address them in the interests of the company and the community.





Orell Füssli conducted a materiality analysis in 2022. The starting point was a list of about 60 potentially material topics compiled from sustainability standards, legal requirements for non-financial reporting and environmental analyses. Through clustering, 26 potentially significant topic areas were identified to be later assessed based on the principles of dual materiality in respect of the relevance of their impact and influence. The assessment was carried out by the CEO, CFO, quality and risk managers, and representatives from all relevant business and specialist areas. The assessment was visualised using a dual-axis matrix. The threshold for definition as a material topic is either a high significance of the effect on the sustainable development of the company or a major importance for business success.

The Board of Directors of Orell Füssli then approved the materiality assessment. In advance of reporting on the 2024 financial year, Orell Füssli reviewed the material topics for relevance, particularly in respect of the Swiss legal requirements on non-financial reporting. As a result, the reporting was expanded to meet the requirements for climate reporting.



1 Material for the entire Orell Füssli Group
2 Material for Security Printing and Industrial Systems
3 Material for Book Retailing and Publishers

The following topics* were considered to be of greatest significance in terms of Orell Füssli's impact on the business environment ("inside-out") and the success of the company itself ("outside-in"):

	Economy	<ul style="list-style-type: none"> • Economic success of the company and profitability • Quality of service and products • Digitalisation
	Environment	<ul style="list-style-type: none"> • Energy efficiency and climate protection
	Employees, social affairs and society	<ul style="list-style-type: none"> • Education and training • Data security and data protection • Leadership culture and collaboration • Occupational health and safety
	Governance	<ul style="list-style-type: none"> • Compliance and business ethics • Respect for human rights

* In the materiality analysis, the company deprioritised economic topics such as innovation, risk management and tax transparency, as their influence on the market sector or user safety was assessed as being smaller. In the ecological dimension, it also evaluated the potentially significant topics of materials, water consumption & waste, biodiversity and sustainable supply chain. Orell Füssli estimated the impact of these on resource consumption and environmental pollution through waste to be less material at both impact levels. Additionally identified potentially material social issues would have had an impact on employee satisfaction, a respectful culture and long-term customer relationships. However, these impacts were attributed to a greater extent to the topics now defined as material.

2 Reporting on the material topics

2.1. Economy

The Orell Füssli strategy is based on its long-term expertise in business areas that build on the trends of security and education. In both areas, digitalisation is enabling new innovative offerings.

Material topics:

- Economic success of the company and profitability
- Quality of service and products
- Digitalisation



SDG 9: industry, innovation and infrastructure

By offering new digital technology with the highest quality standards and taking into account data protection, Orell Füssli creates innovative products for a wide range of areas of life.

2.1.1 Corporate economic success and profitability

Orell Füssli aims for long-term profitable growth, which forms the basis for the sustainable success of the Group. Failure to meet growth targets may jeopardise the Group's commitment to sustainability. By expanding its digital business areas and implementing a wide range of teaching and learning media, the company hopes to achieve its sales target of an annual increase of 4% to 6%.

Detailed explanations on financial management can be found in the shareholder letter on page 4. Key figures for the operating result are shown in the financial report on page 92. At the Capital Market Day 2022, Orell Füssli communicated its growth ambitions and associated expansion strategies, and provided an overview of its financial figures.

The investor presentation can be viewed on Orell Füssli Group's website: www.orellfuessli.com/en/strategy.

2.1.2 Quality of service and products

In order to meet the demands of its customers, Orell Füssli defines itself by its range of products and services with the highest quality features. Quality is a key driver of success, particularly in the Security Printing and Industrial Systems business segments and at Procivis.

- Security Printing: Banknotes must meet all quality requirements without exception. Errors and the resulting reputational damage could have a lasting negative effect on Orell Füssli's marketability. Therefore, regular checks are carried out during the production process and defective notes destroyed. After the sheets are cut to the banknote format during the final processing, a last 100% inspection takes place; there is zero error tolerance.
- Zero error tolerance also applies to the Industrial Systems segment, which produces products for the security printing industry: each individual numbering machine is tested before being shipped to the customer.
- For digital identity documents, Procivis also has high quality requirements in terms of reliability and speed of data processing. An external security audit is carried out to verify this.
- Book Retailing focuses on high service quality, particularly in customer service, and prompt and error-free delivery. Service quality is ensured through personal advice in the store or the Swiss customer service team's call centre at the headquarters. Customer satisfaction, which Orell Füssli aims to achieve with its commitment to high quality service, is also influenced in this segment by the design of the retail outlets and great importance is attached to this.

Target

For the two business segments of Security Printing and Industrial Systems, Orell Füssli has defined “Cost of poor quality” as a KPI, which specifies the operating costs due to defective materials/products. For both business segments, Orell Füssli has set itself the target of reducing these costs by 10% annually.

Compared with Security Printing and Industrial Systems, quality is not security-critical for the publishers, but it has a major influence on the perception and acceptance of the publishers in the market in terms of content and product presentation. Quality in the publishing industry is measured by the misprint rate.

Ongoing further development of the quality management system and quality controls

Security Printing is certified to ISO 14298 and other standards. The quality policy sets out the principles for ensuring and measurably improving quality continuously. This requires that the quality management system is implemented and constantly developed.

Due to high customer requirements, no errors in quality in security printing and industrial systems are tolerated. The Group therefore invests heavily in maintaining its fleet of machines and replacing machines early if necessary. In addition, a key issue is training and educating employees in how to correctly handle machines and materials. Orell Füssli conducts on-site visits to customers and suppliers to gain an in-depth understanding of customer quality requirements. In addition to quality controls via appropriate technical aids, physical controls carried out by experienced employees help to ensure high quality production of security documents and components. Orell Füssli’s quality controls are supplemented by external auditing bodies.

In banknote production, the cost of errors is closely linked to the reject rate. The majority of the relevant targets were met or exceeded in 2024. In addition, Orell Füssli enjoyed a low complaint rate and very positive customer feedback in the year under review, illustrating the highly satisfactory quality of the banknotes printed.

Internal key figures (e.g. complaints per product, number of process faults) are determined in order to use for quality monitoring purposes. In Industrial Systems (Zeiser) and Security Printing, Orell Füssli employs a quality management system in accordance with ISO 9001, which guarantees comprehensive evaluation and continuous improvement of processes, thus ensuring product and service quality. Zeiser’s complaints rate was very low in the reporting year. No products had to be recalled nor did any significant warranty services have to be provided.

Quality controls at the publishers are carried out in stages: from data creation at the publishers to the equipment for the printing presses through to inspection of the products for print, colour, and paper quality. These controls are carried out in accordance with the guidelines of Fogra (Research Institute for Media Technologies). FSC-certified paper and environmentally friendly printing inks and additives are used to ensure quality. In addition, the printing companies have Fogra and FSC certificates and are tested and certified according to the European environmental management system EMAS (Eco-Management and Audit Scheme).

For business policy reasons, Orell Füssli has decided not to publish the KPIs relating to service and product quality.

2.1.3 Digitalisation

Digitalisation is an opportunity to further develop Orell Füssli's existing business areas and establish new ones. The company offers technology in the areas of digitalisation, learning material, documents and security solutions (Digital Trust Services). These additions to the physical product portfolio enable the company to simplify access to education and help shape trends in societal development. This offers Orell Füssli an opportunity to strengthen its competitiveness and market position.

In its own processes, Orell Füssli is driving forward the digitalisation of internal workflows, but is also taking precautions to counter the risks of digitalisation, particularly in terms of cybersecurity and data protection (see 2.3.2; page 52).

Target

Orell Füssli has set itself the goal of using digitalisation to automate processes wherever possible and reasonable, thus increasing operational efficiency in the long term.

Responsibility embedded at Board of Directors level

The Board of Directors appoints a Digital Committee. This is a committee of the Board of Directors comprising four members. The CEO and the Head of Corporate Development of the Orell Füssli Group also attend the meetings. The committee meets at least twice a year and focuses on the management and development of digital business areas. Line managers are supported by the Head of IT in digitalisation of internal business processes and their external interfaces.

Development of innovative products

Thanks to the acquisition of Procivis, Orell Füssli has offered digital solutions in the area of identity management since 2020. The aim is to use verifiable digital identities and credentials to eliminate media disruptions in digital identification processes, both with corporate customers and between private individuals and public authorities. The product range is expanded through partnerships.

The Security Printing and Industrial Systems business segments have their own research and development departments. Besides the development of various security features, the Security Printing segment developed the BEES® software in 2024, which evaluates the environmental impact of banknote production.

The Publisher business segment successfully launched the new digital teaching materials myKV and myDetailhandel.

Digitalisation of internal processes

Through increased integration and the conversion of certain internal processes, some manual work steps were automated. For example, the introduction of new consolidation software made it possible to largely automate and simplify the creation of monthly reports to management and the Board of Directors, as well as the appendix tables for financial reporting in the Annual Report. Other HR processes have also been digitalised. These include the processes for setting and assessing targets and calculating bonuses, and for the payroll and expenses process.

As part of the comprehensive overhaul of the Orell Füssli Group's website, the publisher's online shop was made more user-friendly and expanded.

2.2. Environment

Orell Füssli has been addressing environmental issues in a structured and professional manner for nearly 20 years and is continuously improving. In 2006, an environmental management system in accordance with ISO 14001 was introduced in security printing and has been continuously refined since then. Based on the code of conduct, employees are made aware of environmentally friendly behaviour in order that they can consider environmental aspects when making decisions.

In Orell Füssli's value chain, the biggest environmental impact is from the extraction of raw materials, processing of raw materials into intermediate products and transport to the upstream supply chains.

Material topic:

- Energy efficiency and climate protection



SDG 13: climate action

Orell Füssli contributes to climate protection through low operational CO₂ emissions, by taking into account environmental issues when procuring materials and by offering a range of products and services with a moderate environmental impact.

2.2.1 Energy efficiency and climate protection

To keep the Group's ecological footprint as small as possible, Orell Füssli strives to handle resources carefully and sustainably. The company has a much greater influence on the energy-efficient use of resources and associated climate protection when it operates as a manufacturing company on its own premises than when it conducts its business as a retailer on leased premises.

As part of its 10-year plan, Orell Füssli is focusing on measures to reduce emissions in its own operations and processes: reducing its energy consumption, using renewable energy and a conscious choice of transport. It also holds its suppliers accountable and uses the limited degree of freedom available in the industry when selecting the goods it procures. In doing so, the company makes a contribution to climate protection, takes account of customer needs and reduces the financial risks to itself from climate change in the form of rising prices for electricity, water and waste disposal, and the health risks to employees.

Long-term commitment to climate protection

Orell Füssli AG is committed to the net-zero target by 2050, in line with Switzerland's national climate target. These have also been harmonised with those of the Energy Agency for Industry (EnaW). The company wants to take long-term measures to reduce CO₂ emissions (Scope 1 + 2) caused by its business activities as much as possible:

- By 2030, Orell Füssli aims to reduce its Scope 1 + 2 emissions by approx. 35% compared with the base year of 2022 (to 300 tCO₂e)
- By 2035, Orell Füssli aims to reduce its Scope 1 + 2 emissions by approx. 45% compared with the base year of 2022 (to 250 tCO₂e)

In addition, based on the Scope 3 screening, the underlying data will be continuously improved to serve as a basis for gradually reducing these emissions.

Responsibilities in the Group companies

There is a high level of awareness of sustainability at Orell Füssli. Responsibility within the company is correspondingly high, particularly in the Executive Board. Implementation falls on the individual legal entities, which define them in their environmental policy and are responsible for their implementation. As the Security Printing segment at the Zurich site is responsible for both the building and production, it has been given overall responsibility for implementation of the environmental policy at the site.

In respect of the Industrial Systems segment, responsibility for implementation of environmental issues lies with the quality and building manager at Zeiser GmbH.

At Orell Füssli Thalia AG, the Head of Corporate Development is responsible for the implementation of environmental issues.

Environmental programme to achieve environmental targets

In addition to the environmental policy, the Security Printing segment drew up a multi-year plan in 2022 that defines the key building blocks for achieving the environmental targets. The plan is based on an environmental relevance matrix created when the ISO 14001-certified environmental management system was updated and which records the environmental impact of each process. Based on the matrix, the most important measures for reducing environmental impact have been defined and incorporated into investment planning. These include a reduction in fossil fuels and an increase in energy efficiency. Above all, environmental protection calls for the conscious commitment of all employees. Employees are obliged to contribute to the further development of the environmental management system. Environmentally relevant regulations must be observed, environmental damage must be avoided and processes must be optimised with regard to environmental compatibility.

Location-specific climate protection

As part of the environmental programme, the Security Printing segment began replacing the entire heating, ventilation and air conditioning system in production in 2024, which will lead to the savings targets in energy consumption and thus pollutant emissions compared with the system currently in operation. These measures are expected to reduce the total amount of energy consumed at the site by more than 10%. The measures taken in the reporting year have already resulted in savings of about 4% in local electricity consumption. To further increase energy efficiency at the head office in Zurich, the focus is on optimisation of the building envelope's energy efficiency, taking into account the spatial planning requirements associated with protection of the townscape and old buildings. Following completion of the analysis phase for the roof and window renovation and the optimisation of the shading systems, we assume that the first measures can be implemented in 2025.

At Zeiser's location in Emmingen, Germany, the new building, which opened in 2023, features state-of-the-art building technology, use of waste heat from the production facilities, connection of a biogas plant to the local district heating network, and electricity generation via the company's own photovoltaic system. These measures were also continued in the reporting year.

As a retail space tenant, Orell Füssli Thalia relies on proven measures to reduce resource consumption, such as temperature regulation and air curtains on doors.

ENERGY CONSUMPTION

GRI-Disclosure	Unit	2024 ¹⁾	2023
302-1 Energy consumption, total	MWh	8,415	8,346
302-3 Energy intensity	MWh / TCHF	0.0333	0.0359
302-1 Heat & fuels	MWh	1,705	1,750
Stationary ³⁾	MWh	1,536	1,616
Natural gas ⁴⁾	MWh	860	940
Biogas ⁴⁾	MWh	423	403
District heating	MWh	253	273
Mobile (excl. electric vehicle)	MWh	169	134
Diesel	MWh	160	130
Petrol	MWh	9	4
302-1 Electricity (incl. electric vehicle)	MWh	6,710	6,596
of which purchased from renewable sources	MWh	4,697	4,719
of which purchased from the power grid ⁵⁾	MWh	1,769	1,629
of which from inhouse production (solar)	MWh	244	249
Solar power fed into the grid	MWh	111	133

1) In the reporting year, Orell Füssli was able to expand the number of companies taken into account due to improved data availability.

2) Revenues (all companies) amount to CHF 252.5 million in 2024 and CHF 232.2 million in 2023.

3) The energy consumption related to heating the bookstores could not be determined due to missing information from the landlords.

4) A gas mixture with a proportion of biogas was purchased (2024: 35%, 423 MWh; 2023: 30%, 403 MWh).

5) The electricity consumption of the bookstores (proportionately consolidated 50% share) was extrapolated from the known consumption of 10 stores. For 2024, an average electrical energy intensity of 172.75 kWh per m² of sales area was determined and used as a representative value for all stores. In 2023, consumption was still calculated based on the rental area (130.24 kWh per m²). Due to a different method of measuring floor space and the additional stores in 2024, consumption is only comparable to a limited extent with the previous year's figure.

Data survey regarding energy consumption

Orell Füssli further improved the availability of data on energy consumption in 2024. In the reporting year, the stores of Orell Füssli Thalia and the business premises of hep Verlag and Pro Civis in Vienna were included in the balance sheet. This enabled the group to significantly increase its informative value in terms of energy consumption. Total energy consumption increased slightly compared with the previous year (8,415 MWh vs 8,346 MWh in 2023). However, due to the adjusted volume of data and minor changes in the calculation methodology, and the growth of the Group, the figures are comparable only to a limited extent.

Increasing focus on renewable energy sources

Measures such as the conscious purchase of energy sources, the use of electric vehicles and state-of-the-art building technology are having an impact: For example, by adjusting the heating settings in the new building, Zeiser was able to optimise district heating requirements to reduce consumption by 22% compared with the previous year.

Reduction of greenhouse gas emissions

Orell Füssli managed to reduce Scope 1 + 2 greenhouse gas emissions in 2024. In 2024, Scope 1 + 2 emissions amounted to 250 tCO₂eq (previous year: 282 tCO₂eq), corresponding to a reduction of 11%. This reduction is attributable in particular to the improvement in direct emissions (Scope 1).

In 2024, Orell Füssli reduced its Scope 1 greenhouse gas emissions by 13%. This improvement was achieved mainly by increasing the proportion of biogas in the Security Printing segment from 30% to 35%.

Despite the growth in revenue, Orell Füssli was also able to reduce Scope 2 emissions in 2024 by 2% compared with 2023. In addition, the electricity mix selected by Orell Füssli (market-based) is performing significantly better than the electricity mix of the country average (location-based), which underscores Orell Füssli's commitment to climate protection.

DIRECT & INDIRECT GREENHOUSE GAS EMISSIONS – SCOPE 1 + 2 ¹⁾

GRI-Disclosure	Unit	2024 ²⁾	2023
GRI 305-4 Scope 1 + 2 emissions, total (market-based)	tCO₂eq	250	282
Greenhouse gas emissions intensity³⁾	tCO₂eq / TCHF	0.0010	0.0012
GRI 305-1 Scope 1 emissions	tCO₂eq	199	230
Fuels, stationary	tCO ₂ eq	159	191
Transport/fuels, mobile	tCO ₂ eq	40	39
GRI 305-2 Scope 2 emissions, market-based⁴⁾	tCO₂eq	51	52
Electricity, market-based	tCO ₂ eq	6	3
District heating, location-based ⁴⁾	tCO ₂ eq	45	49
GRI 305-2 Scope 2 emissions, location-based	tCO₂eq	487	571
Electricity, location-based ⁵⁾	tCO ₂ eq	441	522
District heating, location-based	tCO ₂ eq	45	49
GRI 305-1 Biogas emissions (out-of-scope)⁶⁾	tCO₂eq	84	80

1) The greenhouse gas balance is calculated in accordance with the guidelines of the Greenhouse Gas Protocol (GHG Protocol).

2) In the reporting year, Orell Füssli was able to expand the number of companies taken into account due to improved data availability. In addition to the Orell Füssli head office and the Zeiser companies, the Orell Füssli Thalia branches, hep Verlag and Procivis in Vienna were also included in the reporting year. For better comparability, the previous year's figures were supplemented with the information from Orell Füssli Thalia for fuels (diesel: +9 tCO₂e; petrol: +2 tCO₂e).

3) Scope 1 + 2 emissions only. Consolidated group sales amount to CHF 252.5 million in 2024 and CHF 232.2 million in 2023.

4) Zeiser purchases district heating from a biogas plant. Zeiser's district heating consumption was calculated using the location-based approach, as a market-based emission factor is not yet available.

5) The location-based approach is based on the IEA's emission factors (2024 and 2023, respectively) and was adjusted using the corresponding energy trading corrections. The emissions from electricity consumption in the book retailing sector are accounted for in Scope 3 (see Scope 3 balance).

6) Biogenic CO₂ emissions from the combustion of biogas. The CO₂ was removed from the atmosphere during the production of the fuel within a short natural regeneration period and is therefore accounted for outside the scopes according to the GHG protocol. However, other emissions such as methane (CH₄) or nitrous oxide (N₂O), which are produced when biogas is burned, are accounted for in Scope 1.

Emissions reduction in the supply chain

The Scope 3 screening carried out in 2023 showed for the first time the magnitude of other indirect greenhouse gas emissions associated with Orell Füssli's business activities. In the reporting year, Orell Füssli has further improved its underlying data and shows the most important categories in detail. The refined screening of the reporting year shows that upstream and downstream emissions account for about 26,200 tCO₂eq, which corresponds to around 99% of the total emissions of the Orell Füssli Group. Of these, 84% fall under Category 1 "Purchased goods and services" (see table "Other indirect greenhouse gas emissions – Scope 3"). This illustrates the importance of the upstream steps in reducing the greenhouse gas emissions caused by the Orell Füssli Group.

Due to industry-related reasons and depending on the business segment, Orell Füssli has little or no influence on the selection of suppliers and materials (see business model; page 33). However, the company requires suppliers to drive forward efforts in environmental protection. For example, the Supplier Code of Conduct of Orell Füssli's Security Printing requires an active contribution to environmental protection. ISO 14001 certification is required in selection of suppliers. Specific improvements in environmental performance are reviewed in supplier audits. Under this system, the relevant suppliers are categorised by turnover or safety relevance. The safety-relevant suppliers are checked every three years for specific criteria. The criteria were developed by Orell Füssli in collaboration with specialist consultants and comply with the criteria of the Swiss Code of Obligations. In 2024, about 40% of key suppliers were audited.

In the manufacture of customised products in the Security Printing segment, the room for manoeuvre in the choice of materials and transport is limited, as the selection of materials and semi-finished products is often specified by the customer. These can often be obtained only from individual, predefined suppliers.

Nevertheless, sustainability and environmental factors should be integrated more systematically into the early stages of banknote design. To this end, the Security Printing segment developed BEES® (Banknote Environmental Evaluation Software) in 2024. The software supports central banks in measuring the environmental impact of a banknote during the design process. Different banknote variants can be compared with each other, with pre-series or even with external life cycle analysis.

Book Retailing should offer as comprehensive an assortment of products as possible. Some books are packaged in plastic film by the manufacturer and do not necessarily have an environmentally friendly cover. As a pure trader, Orell Füssli cannot influence such packaging materials. On the other hand, FSC-certified products are used at the publishers whenever possible. In terms of environmental protection, Orell Füssli welcomes and supports the trend towards digital teaching materials.

With regard to employee mobility, Orell Füssli supports environmentally friendly mobility concepts. For example, the Group contributes towards the cost of public transport travel cards for employees at the Zurich site. In the book trade, employees who travel frequently are reimbursed for their public transport travel cards. At the head office in Zurich, the pool car was replaced by an electric vehicle, electric charging stations were installed at Zeiser in Emmingen, and a lease bike initiative promotes cycling.

OTHER INDIRECT GREENHOUSE GAS EMISSIONS – SCOPE 3

GRI-Disclosure		Unit	2024	2023
GRI 305-3	Scope 1 + 2 emissions, total (market-based)	tCO₂eq	250	272
	Scope 3 emissions, total	tCO₂eq	26,400	12,000
	Cat. 1 - Purchased goods and services	tCO ₂ eq	22,000	n/a
	Cat. 2 - Capital goods	tCO ₂ eq	2,400	n/a
	Cat. 4 - Upstream transport and distribution	tCO ₂ eq	1,300	n/a
	Cat. 6 - Business travel	tCO ₂ eq	100	n/a
	Cat. 7 - Commuting of employees	tCO ₂ eq	400	n/a
	Cat. 8 - Rented properties ²⁾	tCO ₂ eq	200	n/a

1) A screening in 2023 showed the rough magnitude of Scope 3 emissions for the first time, although full coverage could not yet be achieved. In 2024, the most important categories were refined and reported individually. The analysis of other indirect greenhouse gas emissions covers the following: Orell Füssli head office incl. security printing, Zeiser companies, as well as Orell Füssli Thalia and Delivros. During the 2023 screening, Scope 3 categories 3 and 5, as well as 9 to 15, were assessed as not or only to a very limited extent applicable to Orell Füssli, or as only slightly significant. Furthermore, data for the calculation is partly not available due to confidentiality in relation to the business model.

2) According to the guidelines of the Real Estate Investment Data Association (REIDA), Orell Füssli's book retailing companies have no operational control over electricity consumption in their branches. Therefore, the resulting emissions are accounted for using the location-based approach in Scope 3, Category 8. The emissions are calculated using the location-based approach because no information is available about the type of electricity generation.

Waste

At the Zurich production site, all in-house wastewater purification and treatment facilities were switched to the latest ultrafiltration technology at the end of 2023. The use of the new plant and the associated full automation of the filtration process have enabled a significant increase in energy efficiency. The new technology also reduces the use of materials and auxiliary agents, leading to less waste.

After surveying waste for the first time in 2023, Orell Füssli also surveyed waste volumes in 2024. This survey includes waste data for Orell Füssli's head office in Zurich, hep Verlag, Procivis Vienna and the Zeiser companies. In 2024, these business segments generated 379 tonnes of waste, corresponding to a reduction of about 20% compared with the previous year. The reduction of hazardous waste accounted for a significant share of this. Due to the high efficiency of the ultrafiltration technology recently introduced in production at the Zurich location, this has fallen significantly. At the same time, the business segments increased their recycling share.

GRI-Disclosure		Unit	2024	2023
GRI 306-3	Waste, total¹⁾	t	379	471
GRI 306-5	General waste incineration ²⁾	t	154	139
GRI 306-5	General waste landfill ²⁾	t	5	91
GRI 306-4	General waste recycling externally	t	95	65
GRI 306-5	Hazardous waste incineration	t	112	168
GRI 306-5	Hazardous waste landfill	t	–	–
GRI 306-4	Hazardous waste recycling	t	13	9

1) In the reporting year, Orell Füssli was able to expand the number of companies taken into account due to improved data availability. In addition to the Orell Füssli head office and the Zeiser companies (waste 2024: 375 t), hep Verlag and Procivis in Vienna were included in the accounting in the reporting year.

2) For the Zeiser Group, no distinction could be made between the disposal types of incineration and landfill for general waste (recycling could be distinguished). For this reason, the same relative distribution as in the previous year was assumed.

2.3 Employees, social affairs and society

Orell Füssli is aware that its employees are the key to the company's long-term success, and so the Group endeavours to offer up-to-date and attractive employment models and working conditions that support the development of each person's capabilities. The topics of education, further training, data security and data protection not only reflect Orell Füssli's sense of duty towards its employees, but also anchor its social responsibility.

Material topics:

- Education and training
- Data security and data protection
- Leadership culture and collaboration
- Occupational health and safety



SDG 3: good health and well being

Orell Füssli contributes to low-accident and low-injury working conditions by raising employees' awareness of the need to comply with safety guidelines, and through its certified occupational safety management system. With this system and flexible working hours models, Orell Füssli supports the different lifestyles of its employees and takes their health into consideration.



SDG 4: quality education

Orell Füssli contributes to the education of its employees and society by promoting internal training and education and through a wide range of digital and analogue learning media and book retailing.

Employee structure

Orell Füssli employs a total of 632 people, the majority of whom (42%) work in book retailing. With about 164 employees, the Security Printing segment is the second largest business segment. 31% of employees work part time. The proportion of women throughout the Group is 48%. Most women are employed in book retailing. The Group's age structure is relatively balanced, although there are differences between the individual business segments.

Orell Füssli also employs external staff. Typical areas where these staff are employed include building cleaning, access security and stocktaking. In book retailing, external staff are used particularly during the Christmas period or when the pool of stand-ins is insufficient due to illness. Orell Füssli employs an average of about 110 full-time equivalents (previous year: approx. 110) in external resources each year. Orell Füssli's partners that employ external staff are professional recruitment agencies that comply with statutory regulations and minimum wages.

Key figures on employees

EMPLOYEES BY GENDER AND BUSINESS SEGMENT ¹⁾

	2024			2023		
	Male	Female	Total	Male	Female	Total
Group	325.9	305.7	631.6	326.8	321.2	648.0
Security Printing	124.8	39.1	163.9	122.4	40.4	162.8
Industrial Systems	98.6	17.6	116.2	99.1	21.4	120.4
Book Retailing	61.4	206.5	267.9	60.2	210.9	271.2
Other business areas and Group functions	41.1	42.5	83.6	45.1	48.5	93.6

EMPLOYEES BY EMPLOYMENT LEVEL ¹⁾

	2024			2023		
	Male	Female	Total	Male	Female	Total
Full time	288.7	144.5	433.2	297.4	155.8	453.2
Part Time	37.2	161.2	198.4	29.4	165.4	194.8

EMPLOYEES BY EMPLOYMENT LEVEL AND BUSINESS SEGMENT ¹⁾

	2024		2023	
	Full time	Part time	Full time	Part time
Group	433.2	198.4	453.2	194.8
Security Printing	161.6	2.3	157.0	5.8
Industrial Systems	106.4	9.8	108.9	11.6
Book Retailing	124.0	144.0	134.3	137.0
Other business areas and Group functions	41.3	42.3	53.1	40.5

EMPLOYEES BY AGE AND BUSINESS SEGMENT ¹⁾

	2024			2023		
	< 30 years	30-50 years	> 50 years	< 30 years	30-50 years	> 50 years
Group	99.4	297.0	235.2	126.3	285.0	236.6
Security Printing	14.5	76.7	72.7	13.2	71.7	77.9
Industrial Systems	13.0	44.3	59.0	16.4	45.9	58.1
Book Retailing	65.1	122.1	80.7	85.0	113.9	72.2
Other business areas and Group functions	6.9	54.0	22.8	11.7	53.5	28.4

NEWLY HIRED EMPLOYEES ¹⁾

	2024	2023
Number of new employees	104.3	55.3
Rate of newly hired employees	16.5%	8.5%
Number of employees who have left the company	92.8	78.6

APPRENTICES ²⁾

	2024			2023		
	Male	Female	Total	Male	Female	Total
Group	11.5	43.5	55.0	16.0	38.0	54.0
Apprentice quota	–	–	6.3%	–	–	6.1%
Orell Füssli AG	4.0	5.0	9.0	5.0	3.0	8.0
Zeiser GmbH	3.0	4.0	7.0	5.0	3.0	8.0
Orell Füssli Thalia AG ²⁾	3.5	33.5	37.0	5.0	31.0	36.0
hep Verlag AG	1.0	1.0	2.0	1.0	1.0	2.0

1) FTEs; excluding apprentices; book retailing proportionately consolidated (50%)

2) Headcount

3) Proportionately consolidated (50%)

2.3.1 Education and training

Education and training are key issues for Orell Füssli, both in terms of products and services and within the company. Publishing and bookstores have traditionally been strongly linked to education. Orell Füssli also promotes education and training within the company. Basic vocational training is of particular importance in this regard. It ensures the development of future specialists and enlivens the company's corporate culture. At the head office in Zurich, at Zeiser in Emmingen and in the bookstores, apprenticeships are offered in technical and commercial professions and as booksellers and stationers. Orell Füssli employed a total of 55 apprentices in 2024.

Target

Orell Füssli aims to contribute to the education and training of its employees and society. Orell Füssli has therefore set itself the following internal objectives:

- All employees receive a review on their annual performance and professional development
- The number of trainees should be at least 6% of the workforce (apprenticeship ratio)

Apprenticeships and further training for employee development

Orell Füssli supports training and further training within the company. Training needs that cannot be organised at the workplace or internally by supervisors are regulated through training and development guidelines. The guidelines contains the basis for financial participation in the costs and working time for professional training and continuous development. Book Retailing offers employees a very broad programme for personal and professional development. This includes an e-learning platform, modules for developing professional, leadership and social skills, and a career changer programme. No comprehensive statistics are kept at Group level on further training.

Regular employee appraisals

Regular employee appraisals are an essential part of continuous employee development. All employees have at least one meeting with their line manager every year to discuss their general work situation, workload, target achievement and individual needs. Another key aspect of these meetings is to formulate targets for the coming period and define measures for the employee's further development. In 2024, all employees had an appraisal meeting.

Innovation and quality in education

In 2019, the company decided to focus Orell Füssli Publishers on the education sector and, in addition to a small range of children's books, to concentrate its services mainly on learning media and specialist legal media. The publishers stand for innovation and quality in the education sector with the aim of developing and publishing forward-looking, substantive and teacher and learner-oriented teaching materials (analogue and digital), and educational specialist and non-fiction books. Strategically, digitalisation is an opportunity for the publisher: it enables internal processes to be made more effective and efficient. However, there are also new opportunities to create valuable, pedagogically and didactically effective teaching and learning media. To implement the educational reform, the publisher has redesigned the teaching material content and made it available digitally. The "myKV" three-year basic commercial training programme, launched in 2023, has been very well received by the market. In 2024, the learning content for the second training year was made available and content development for the third year of training was further advanced.

2.3.2 Data security and data protection

The topic of data security and data protection at Orell Füssli covers the entire security of both physically and digitally captured data. The topic is relevant for the company in the area of risk management. However, increasing awareness of the value of trustworthy and tamper-proof value documents and identity documents is an opportunity for Orell Füssli's business model.

Target

Orell Füssli attaches the utmost importance to discretion towards its customers and is committed to treating all customer data with the requisite confidentiality. The Group has set itself the goal of maintaining its track record of receiving no complaints about breaches of privacy or loss of customer data. In 2025, the aim is for all employees of the consolidated companies to have completed at least one e-learning course on cybersecurity.

Code of Conduct on handling data

Discretion and the handling of highly sensitive data are an inherent part of Orell Füssli's business operations. The company thus has a Code of Conduct for its employees and sets explicit guidelines on the handling of data when working with partners. Employees are regularly sensitised and trained in the relevant issues. The code and the guidelines were brought in line with the new Swiss Federal Act on Data Protection, which came into force on 1 September 2023. The effectiveness of the processes is regularly reviewed, both internally and by independent bodies. In 2024, a new IT position was created that focuses primarily on topics such as data protection and security audits.

The strictest requirements for data security and protection are set by the Security Printing segment. An example relates to information on the security design of individual products relating to substrate, inks and technical specifications. Evidence that the highest standards in this area have been met is provided by ISO 14298 certification.

During the reporting period, no complaints were received about breaches of client data protection or loss.

Promoting employees' responsible handling of data protection

The way in which employees handle the IT infrastructure, emails and company data has an impact on IT security. Gaps that arise due to careless behaviour can lead to cyberattacks with serious damage to the infrastructure and its availability, as well as to the reputation of OrellFüssli. The Orell Füssli Group requires all employees to comply with its IT security policy. All employees must regularly complete e-learning modules on the topic of cybersecurity. Orell Füssli's IT security policy supports employees with instructions on conduct in terms of IT security and compliance with legal obligations. The key principles are:

- Protection of computers from unauthorised use and theft
- Responsible handling of emails
- Responsible use of the internet

At the consolidated companies, about 85% of employees with computer workstations completed at least one cybersecurity e-learning course in 2024.

Additional measures on information security are set out in the internal regulations. The results of the internal IT security campaigns and technical adjustments are presented to the management each quarter and to the Board of Directors once a year. Compliance with these guidelines is checked regularly by Internal Audit and external partners, evaluated and used as a basis for improvement measures.

2.3.3 Leadership culture and collaboration

For Orell Füssli, leadership culture and collaboration means endeavouring to create a value-oriented corporate culture and exhibit responsible leadership behaviour. This includes transparent and open information, and the integrity of each individual. The leadership culture influences the working atmosphere, the satisfaction and well being of employees, shapes collaboration with suppliers, customers and partners, and has a positive impact on Orell Füssli's attractiveness as an employer. An inconsistent understanding of leadership and values could lead to a loss of efficiency in the company, in turn negatively affecting the relationship with external partners and thus the company's economic success.

Target

The Orell Füssli Group greatly values ethical and reliable conduct. This should be reflected in the corporate culture, which is built on trust and mutual respect. All employees should identify with it and practise it in their day-to-day work.

Orell Füssli has set itself the following targets to measure success in terms of its leadership culture and collaboration:

- No incidents of discrimination
- No violations of the Code of Conduct
- Response rate for employee surveys of at least 66.7%

Clear guidelines for employees and managers

The basis for cooperation at Orell Füssli is the Code of Conduct, which applies to all employees of the fully consolidated companies. Orell Füssli Thalia AG, which is held as a joint venture, has its own code of conduct, but its basic approach is in line with that of Orell Füssli. The Code of Conduct provides employees throughout the Group with guidelines on how to conduct themselves with integrity. To meet local legal and cultural requirements, implementation of the management and HR policy is adapted to the country in question.

Guidelines on internal conduct regulate the provisions on personal privacy, sexual harassment and bullying. Mutual respect and regard for the dignity of each individual are essential for a pleasant working atmosphere. Bullying and abusive behaviour, unequal treatment, violent behaviour or harassment based on differences in ethnicity, nationality, religious or ideological beliefs, gender or sexual orientation will not be tolerated. The guidelines provide support for supervisors in dealing with challenging situations. Trusted employees can assist affected employees and are obliged to maintain confidentiality. An internal grievance procedure is also operated by HR management.

Employees who discover a suspected violation of the code of conduct are required to report this immediately to their direct superior. Alternatively, employees may contact the Human Resources Department, the risk officer or a law firm named in the code of conduct. The law firm acts as a contact point for whistleblowers. Employees are assured that they will not suffer any disadvantages as a result of a report. In addition, external parties also have the opportunity to report any unethical behaviour. They can contact Orell Füssli via info@orellfuessli.com, investors@orellfuessli.com or kundenservice@orellfuessli.ch. There were no reports of violations of the Code of Conduct and no incidents of discrimination in 2024.

Group-wide anchoring of values

In 2023, Orell Füssli redefined the company values as part of its strategic work. A campaign launched in 2023 brought the values of 'trust', 'curiosity' and 'drive' into the company; these were deepened and fleshed out within the areas over the course of 2024.

Regular employee surveys

Employee surveys are conducted every two to three years or as needed. A comprehensive survey was conducted by an independent institute at Orell Füssli AG in 2024 and at Orell Füssli Thalia AG in 2022. The response rate for the survey conducted in 2024 was 77% and 67% for the survey conducted at Thalia in 2022. Employees were informed of the results and measures are being implemented in stages. Issue-specific surveys are also carried out in the individual business segments.

Fair and attractive working conditions

Orell Füssli's regulations on working hours allow employees the greatest degree of flexibility in the structure of their working hours. Employees benefit from up-to-date working time models. Orell Füssli facilitates part-time work and home office models in order to achieve a better balance between work and lifestyle and/or family model chosen by employees. Orell Füssli's social benefits are balanced and at least in line with the local practices customary in the industry.

In accordance with legal requirements, equity analyses are carried out every three years in order to ensure a workplace that is free from discrimination. The results of the most recent analysis were published in the Annual Report 2021 on page 33. PwC confirmed in its reports dated 30 November 2021 (for Orell Füssli AG) and 7 June 2021 (for Orell Füssli Thalia AG) that its formal reviews of the equal pay analysis did not uncover any facts that would lead it to conclude that the equal pay analysis at the two companies did not meet all the requirements of Art. 13d and Art 7 of the Ordinance to the Gender Equality Act.

2.3.4 Occupational health and safety

Orell Füssli is aware that working conditions and the working environment have a significant influence on employee long-term performance, satisfaction and motivation. By contrast, unsafe working conditions not only have a negative impact on employees, but can also adversely affect Orell Füssli's performance and hinder its long-term success.

Target

The health of employees is a top priority for Orell Füssli. The company therefore strives to avoid absences due to preventable accidents at work.

Certified management system for occupational health and safety

Various aspects of occupational health and safety are relevant to Orell Füssli employees, depending on the business segment and job profile.

- Security Printing production and Industrial Systems have greater risks of injury, such as through rotating parts or cutting edges where employees could be injured, or through handling chemicals. Other relevant factors for employee health include night work and ergonomics in production. However, the accident rate in Security Printing is low and below the industry average.
- The risk of injury or possible effects of the working environment on employees' health are significantly lower in the book trade, the publishers and at Procvivis.

As the business segments are very different, there is no cross-group concept for occupational health and safety protection. However, Orell Füssli has clearly assigned responsibilities in all segments and implements process-specific measures to facilitate occupational health and safety. Risks are regularly assessed in an ongoing process and measures are altered if necessary. Compliance with occupational safety guidelines is of central importance in production especially. The guidelines are defined through close cooperation between employee representatives, management, safety officers, the HR department and external specialists. The low accident rate in Security Printing (below industry average) is evidence of the effectiveness of these guidelines.

Security Printing maintains a certified management system for occupational health and safety in accordance with ISO 45001, which also covers occupational health management (OHM) and absence management. The Head of Safety coordinates and monitors the implementation of the defined measures and is responsible for the proper execution of hazard identification and accident analysis. Similar processes and functions are in place for production at Zeiser GmbH. With the aim of reducing the frequency of accidents, occupational illnesses and illness-related absences, the Security Printing segment regularly provides its employees with training.

Even the book trade follows a security plan, in which annual security goals are recorded. The existing measures were continued in the reporting year. These include evacuation drills and risk assessments. The latter were carried out at all brick-and-mortar retail locations using a checklist on occupational health and safety.

Dealing with extraordinary situations

The business continuity management regulations provide the framework for developing location-specific business impact analyses and associated recovery plans. The Orell Füssli Group's emergency and crisis management documents govern the procedure to be followed in the event of an emergency or crisis. After an incident, measures for future prevention are defined and implemented. The responsibility for this task lies with the safety officer. The documents were completely revised in the reporting year. In addition, a one-day crisis management exercise was held with the support of specialist consultants.

Defibrillators and eyewash stations are easily visible and accessible for medical emergencies. In addition to the legally required personal protective equipment, Orell Füssli provides employees with sanitisers and masks. Employees include trained personnel who can initiate first-aid measures in an emergency. The company regularly offers courses to employees to improve occupational safety and to learn how to use defibrillators. Orell Füssli provides aids for minor cases and precautionary measures.

Performance indicators

OCCUPATIONAL HEALTH AND SAFETY

	2024	2023
Employees covered by an occupational health and safety management system	95%	95%
Work-related injuries	12.0	7.0
Work-related illnesses	–	–

In the reporting year, 95% of employees were covered by an occupational health and safety management system. Most work-related injuries are minor accidents.

2.4 Governance

Long-term successful business relationships are built on trust. Orell Füssli has established an excellent reputation as a reliable partner over the years. This reputation is an asset to the company, which is why the management does its utmost to meet the high demands of customers, investors, employees and all other stakeholder groups, and to protect its 500-year heritage. It is for this reason that Orell Füssli sets the highest standards for the compliance and conduct of its employees and respect for human rights.

Material topics:

- Compliance and business ethics
- Respect for human rights



SDG 16: peace, justice and strong institutions

By ensuring ethical and transparent corporate governance and compliance with all legal provisions, Orell Füssli contributes to a reduction of all forms of corruption, bribery and exploitation.

2.4.1 Compliance and business ethics

Orell Füssli understands compliance to mean internal rules, management structures, processes and practices that ensure transparency and accountability, and which encourage corporate governance with integrity. This includes the prevention of anti-competitive behaviour, money laundering, bribery and corruption. For Orell Füssli, business ethics mean a value and people-oriented corporate culture and responsible behaviour. Ethical business practices are a prerequisite for successful business. This applies particularly to Security Printing and the Industrial Systems segment, as these areas also operate in countries with corruption risks.

Target

Orell Füssli undertakes to comply with all applicable laws and regulations and to respect human rights and social standards. To this end, the company has set itself the following targets:

- No confirmed cases of corruption
- No legal proceedings for anti-competitive behaviour
- Regular training of employees and members of the Board of Directors on the Code of Conduct: All new employees should be trained on the Code of Conduct, with refresher training for all employees and members of the Board of Directors every three years.

Code of Conduct for employees

Orell Füssli has had a Group-wide Code of Conduct for employees since 2021. The code is handed out and must be signed when taking up employment. It covers the principles of action relating to corporate culture, integrity and human rights, discretion, the avoidance of bribery and corruption and proper conduct in the event of a conflict of interest. At Orell Füssli AG, employees are also required to submit an annual extract from the criminal record and debt enforcement register to the HR department.

The Orell Füssli Code of Conduct is publicly available on the company's website: Code of Conduct (www.orellfuessli.com/en/corporate-governance).

Ensuring business ethics at all levels

Suspected violations of the Code of Conduct, suspected cases of corruption or anti-competitive behaviour, and violations of antitrust or monopoly law must be reported to supervisors or the contact point for whistleblowers. This applies to both employees and external stakeholders. No violations of the Code of Conduct were reported in the reporting year. There were also no violations of laws that led to significant fines or non-monetary sanctions.

Orell Füssli plans to hold regular training sessions to ensure compliance with the Code of Conduct, in particular for new employees and members of the Board of Directors.

Banknote Ethics Initiative (BnEI) to promote fair competition

Orell Füssli Security Printing has been a member of the Banknote Ethics Initiative (BnEI) since 2017. The BnEI is an initiative that promotes ethical business practices with a focus on corruption prevention and antitrust compliance in the banknote industry. BnEI members are committed to ethical business practices in accordance with the BnEI code. All organisations that have signed the Code must be accredited after an audit by an external auditor. The industry association has about 15 members worldwide. More than 40 commissioning central banks support the initiative. Accreditation is reviewed regularly and is maintained on the basis of external audits.

Further information can be found on the BnEI website: www.bnei.com

Preventing corruption and ensuring ethical business practices

Orell Füssli AG reviews its processes annually for corruption risks. This review is carried out by both internal and external auditors. As part of this audit work, spot checks are carried out and interviews conducted with employees and supervisors.

Orell Füssli expects impeccable business behaviour from its suppliers and, depending on the business segment, also from its customers. In Security Printing, suppliers must comply with the Supplier Code of Conduct. In signing the code, they undertake to respect the human rights of their employees, to refrain from any discrimination, to guarantee fair working conditions, to ensure continuous improvement in occupational health and safety, and to improve their environmental performance. Compliance with the code is reviewed in regular supplier audits (see page 46). The security-relevant suppliers are audited at least once every three years. In the reporting year, about 40% of key suppliers were audited in this way. There were no known cases of corruption in the reporting year.

The other business segments also examine each supplier connection before working together, with a strong focus placed on certifications. Audits are also carried out. The most important suppliers are also indexed for querying in the daily media review.

In order to eliminate the risk of corruption in Orell Füssli's business relations as far as possible, the integrity of potential new customers is also comprehensively checked. In addition to checking for compatibility with Orell Füssli's business strategy, a compliance check is also carried out by the compliance officer in Security Printing. Final approval is the responsibility of the Executive Board. Additional preventive measures to avoid corruption are implemented through guidelines for employees and in payment transactions. Payments are centrally approved by the finance department in accordance with the four-eyes principle. Payments with no supporting documentation are not processed. Sales or purchases do not have access to bank accounts and therefore cannot initiate payments.

Orell Füssli Thalia also expects its suppliers to follow ethical business practices, but it does not provide a supplier code of conduct yet.

2.4.2 Respect for human rights

Orell Füssli is committed to protecting human rights in all areas of its business activities. The Group is committed to respecting the fundamental rights and dignity of all people, whether within the workforce or with customers and partners. Compliance with high labour standards in production, sales and supply chains enables the company to contribute to social justice and also comply with regulatory requirements and mitigate reputational risks.

Target

Respect for human rights requires special attention in the supply chain. To ensure that human rights are respected in the supply chain, the Group has set itself the target of assessing the social impact of 70% of relevant industrial suppliers every three years. In addition, Security Printing intends to conduct an on-site audit of three security-relevant suppliers every year.

Respect of human rights within the company

The principles for respect of human rights are set out in Orell Füssli's Code of Conduct. The company is committed to maintaining a safe working environment, free from discrimination, bullying or any form of violence, and categorically rejects child and forced labour. No critical materials from conflict areas, such as minerals and metals, are used in its operations. No children are employed. The youngest employees are the apprentices, who have appropriate apprenticeship contracts, are directly supervised by a responsible person in the HR department, and legally enjoy special protection.

Ensuring human rights in the supply chain

Suppliers are also obliged under the supplier code of conduct to strictly adhere to the defined standards and employment regulations. This also includes instructions on respect of children's rights. Suppliers are instructed to prevent any cases of child labour. The Group categorises its suppliers based on revenue and safety relevance of the products, and has continued the systematic review initiated in the previous year. This did not reveal any suspected cases of child labour or human rights violations. The regular supplier audits are also conducted to verify the risk of child labour or violation of human rights in the supply chain.

3 Climate reporting

In 2024, Orell Füssli AG focused on complying with the legal requirements for climate reporting. This was done in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

3.1 Governance

The organisational structure of the Orell Füssli Group is based on a clear division of duties, powers and responsibilities (Organisational Regulations: www.orellfuessli.com/en/corporate-governance). Climate-related issues are also incorporated into the strategic tasks. At the Board of Directors level, the Audit Committee (page 71) is responsible for climate-related issues. It monitors the progress towards achieving the defined objectives and is updated on climate-related issues each year as part of the risk management reporting. The Audit Committee reports to the full Board of Directors at least once a year at its regular meetings. In addition, the CFO informs the full Board of Directors about climate-related risks and opportunities at least once a year as part of the risk reporting.

The Board of Directors has delegated the responsibility for operational implementation and sustainability management to the Executive Board. At Executive Board level, the CFO is responsible for sustainability management. Together with the CEO, they approve climate protection measures and strategies for handling climate-related risks and opportunities. Risk Management, together with the division heads, is responsible for implementation of the Group-wide sustainability strategy and the corresponding measures. They report to the CEO and CFO on a quarterly basis as part of the business review meetings. Climate-related budget items and the development of climate protection measures are also discussed in these meetings. The individual areas (e.g. Buildings, Production) are then responsible for implementing these measures.

3.2 Strategy

In accordance with the TCFD recommendations, Orell Füssli distinguishes between climate-related physical risks and transition risks and opportunities. Physical risks arise from direct climate and weather events, and therefore affect Orell Füssli's operational activities and the supply chain. Transition risks arise from the decarbonisation of the economy and the resulting legal, social, economic and technological framework conditions.

For each business segment, Orell Füssli identified risks in both categories along its value chain. The identified risks were then assessed according to their probability of occurrence, time horizon and financial impact (Orell Füssli defines short term as: occurring in 1-2 years; medium term: occurring in the next 3-10 years; long-term: occurring in 10 years or more). Orell Füssli conducted this assessment on a qualitative basis. The financial impact on Group EBIT was broken down into three categories (low: <5%; medium: 5-15%; high: >15%).

In order to assess the impact of climate-related risks and opportunities more precisely and measure the Group's resilience to climate change, Orell Füssli considered two scenarios based on the IPCC approach:

- “Below 2°C” scenario (sustainability scenario): This scenario is based on greater international co-operation to enable a comprehensive transition to renewable energy sources and the introduction of circular economies. Greenhouse gas emissions are drastically reduced in order to keep global warming below 2°C. This results in more stable and predictable climate patterns.

- “Over 2°C” scenario (“continue as before” scenario): In this scenario, international cooperation is limited, which means fossil fuels remain the main source of energy. As a result, economic systems maintain conventional practices and linear production models. Greenhouse gas emissions remain high, causing global warming to rise to well over 2°C and increasing the incidence of more serious climate events.

The identified risks and opportunities and their potential impact on Orell Füssli are summarised in the table below on climate-related risks and opportunities.

Category	Risk/Chance	Segment	Impact
Physical: chronic	Global warming/rising temperatures - Long term - Probability: medium	all	In the book retailing, rising temperatures can lead to higher purchase prices. The necessary air conditioning could lead to higher operating costs in both security printing and book retailing. Estimated impact: medium
	Water shortage - Long term - Probability: high	all	Water scarcity caused by climate change could have a regional impact on the cultivation of cotton as a raw material, further processing steps and paper production processes Estimated impact: low
Physical: acute	Accumulated weather events, e.g. forest fires - Short term - Probability: medium	Book retailing; Publishers	Acute risks such as forest fires can lead to a shortage of wood. This will lead to an increase in the price of wood as a raw material and have an impact on the economic situation of suppliers and Orell Füssli. Estimated impact: low
Transitory: Policy & Legal	CO ₂ -taxes - Medium term - Probability: high	all	The taxation of CO ₂ could lead to increased costs for Orell Füssli and its suppliers. This includes the transport of banknotes, the production of the products (security printing and publishing) and the Energy costs. Estimated impact: medium
	Regulatory interventions (e.g. oil, forestry) - Medium term - Probability: high	Security printing; publishing houses; book retailing	Regulation of petroleum products could have an impact on the availability of colours in security printing. Regulation in the management of mixed forests and agro-crops can reduce the availability of wood and cotton and thus increase raw material prices. Estimated impact: medium
Transitory: Market	Pressure from customers for more energy efficient machines - Short and medium term - Probability: low	Industrial system;	Zeiser offers machines with contemporary energy consumption with its Microperf products. Customers could increasingly ask for more energy-efficient machines, which for Zeiser could mean additional costs but also orders. Estimated impact: low
	Changing customer needs - Long term - Probability: medium	Book retailing	Increasing environmental awareness could lead to a trend towards e-books and therefore represent a risk for publishers and shops. Estimated impact: low
Opportunity	Changing customer needs - Long term - Probability: medium	Security printing; publishing houses; book retailing	The trend towards e-books can also represent an opportunity for Orell Füssli's digital offerings. Climate-related inflationary or deflationary tendencies can lead to increased demand for banknotes from central banks, which is an opportunity for security printing. Estimated impact: low
	“Green products” as a competitive opportunity - Short term - Probability: high	Security printing	In the security printing segment, “green” products can be a competitive opportunity in tenders. Estimated impact: low
	Energy efficiency in security printing - Medium term - Probability: high	Security printing	Thanks to its 10-year plan, energy efficiency can be increased in security printing and thus reduce energy costs in the long term. Estimated impact: medium

3.2.1 Impact of climate-related risks and opportunities

The assessment according to the table on climate-related risks and opportunities shows that there are certain physical risks. The chronic effects of climate change represent the greater risk. Security printing, publishing and book retailing in particular could be affected by rising temperatures and the resulting water shortages, and the associated increase in the cost of raw materials, such as cotton and wood. Since the production processes in Security Printing and Industrial Systems are resource and energy-intensive, higher energy prices and the increased need for cooling (due to rising temperatures) would push up production costs.

The sustainability scenario may also entail some transition risks for Orell Füssli. A CO₂ tax, driven by the decarbonisation of the economy, could lead to higher costs along the entire value chain. These would affect the entire Group and include higher energy prices and correspondingly higher production costs for suppliers and within the company's own operations, as well as higher transport costs for purchased and delivered products.

Assuming that at least part of the higher production costs could be offset through sales prices, Orell Füssli would expect the financial impact on EBIT to be moderate in both scenarios.

Increased awareness may also lead to changes in customer requirements, which could be relevant to all areas of the Orell Füssli Group. It may cause a move away from physical teaching aids and books, leading to a substitution of revenue sources for publishing and book retailing. This could affect existing business models, such as the store business.

However, both scenarios also present opportunities for the Group. Orell Füssli has already established digitalisation as a strategic focus and invested in digital solutions across various areas. Increasing demand for energy raises the risk that electricity production and infrastructure will not keep pace with demand, which could potentially lead to blackouts. This may result in increased cash reserves, which in turn would increase the demand for banknotes. Greater climate awareness among the public, along with the associated shift towards e-mobility and digital solutions from physical products, could therefore have a positive impact on Orell Füssli's business development.

3.2.2 Transition plan

The objectives described in section "Energy efficiency and climate protection" (page 43) can be summarised in the transition plan. The transition plan also sets out the strategic measures that Orell Füssli is taking to reduce its emissions and thus its impact on the environment. This allows climate-related risks to be reduced in a targeted manner and opportunities to be better exploited.

Climate targets are a key aspect of the transition plan. In line with Switzerland's national climate target, the Group has committed to achieving net zero by 2050. To support this goal, it has also set itself interim targets:

- By 2030, Orell Füssli aims to reduce its Scope 1 + 2 emissions by approx. 35% compared with the base year of 2022 (to 300 tCO₂e)
- By 2035, Orell Füssli aims to reduce its Scope 1 + 2 emissions by approx. 45% compared with the base year of 2022 (to 250 tCO₂e)

In addition, based on the Scope 3 screening, the underlying data will be continuously improved to serve as a basis for gradual reduction of these emissions.

To achieve the objectives, Orell Füssli is taking a systematic approach to sustainability management and implementing a multi-year plan to reduce emissions. These efforts also influence investment planning:

- Increasing energy efficiency: By replacing the entire heating, ventilation and air conditioning system in Security Printing, renovating the building shell and using state-of-the-art building technology on the Zeiser site, Orell Füssli can increase energy efficiency and thereby reduce its energy requirements and emissions.
- Reducing fossil fuels: Orell Füssli is gradually replacing existing company vehicles with gas, electric or hybrid models. The Group is also relying increasingly on renewable energy sources. For example, the Zeiser site was connected to the local district heating network and a dedicated photovoltaic system was installed to supply it with electricity.

3.2.3 Orell Füssli's resilience considering different scenarios

The assessment shows that Orell Füssli is exposed to both climate-related risks and opportunities.

- Although the "above 2°C" scenario poses certain risks for the procurement of important raw materials and services, the effects lie further in the future and allow the Group to take preventive measures.
- The "below 2°C" scenario – and thus the decarbonisation of the economy – also entails some risks, particularly in relation to regulatory interventions and market pressure. However, the Group considers their financial impact to be only moderate. The Group is well positioned, as it is already exploiting opportunities presented by digitalisation and plans various measures to increase energy efficiency and reduce operational emissions, and incorporate these into its investment planning.

This means that Orell Füssli is not only in a position to mitigate the possible effects of transition risks, but is also well prepared to capitalise on any climate-related opportunities.

3.3 Risk management

Orell Füssli identified climate-related risks and opportunities for the first time in the reporting year. Representatives from all relevant areas of the Group systematically identified climate-related risks and opportunities in a workshop, with the support of a team of specialists, and assessed their impact on Orell Füssli. The Group's "risk universe" has been expanded accordingly and the new aspects have been incorporated into the regular risk management process. The risks and opportunities identified in this way were then presented to and approved by the Board of Directors.

The risks within the risk universe and the defined measures are reviewed quarterly in a meeting chaired by Risk Management and in the presence of the CFO, the division heads and Internal Audit. By integrating climate-related risks and opportunities into the general risk management process, Orell Füssli ensures that these aspects are continuously monitored and measured.

3.4 Metrics and objectives

The key performance indicator for climate aspects and the defined targets is CO₂ emissions (Scope 1 + 2). The development of climate-relevant metrics and the decarbonisation plans are described in section "Energy efficiency and climate protection" (page 43).

4 Annex

4.1 Swiss Code of Obligations (CO) reference table

Since this Annual Report also includes reporting on non-financial matters in accordance with the Swiss Code of Obligations (CO) and reporting is carried out for the material topics for Orell Füssli, the following CO reference table is used to assign the material topics to the non-financial matters in accordance with the Swiss Code of Obligations.

CO REFERENCE TABLE

Non-financial matters acc. to Art. 964b CoO	Material topics Orell Füssli AG	Section of the 2024 non-financial report
Environmental matters	Energy efficiency and climate protection	2.2 Environment
		3 Climate reporting
Social matters	Education and training	2.3 Employees, social affairs and society
Employee matters	Education and training	2.3 Employees, social affairs and society
	Leadership culture and collaboration	2.3 Employees, social affairs and society
	Occupational health and safety	2.3 Employees, social affairs and society
Respect for human rights	Respect for human rights	2.4 Governance
Anti-corruption	Compliance and business ethics	2.4 Governance

4.2 Declaration of the Board of Directors

The Board of Directors of Orell Füssli AG unanimously approved the non-financial report for 2024 in its meeting on 12 March 2025. The report signed by the Chairman of the Board of Directors has been filed in the records of the Board of Directors meeting.

Any questions about non-financial reporting should be sent to investors@orellfuessli.com.

4.3 GRI Index



CONTENT INDEX
ESSENTIALS SERVICE

2025

Orell Füssli AG has published an annual sustainability report since 2022. The reporting period for non-financial reporting corresponds to the reporting period for financial reporting (1 January to 31 December).

Orell Füssli AG has reported in accordance with the GRI Standards for the period from 1 January 2024 to 31 December 2024. For the Content Index - Essentials Service, GRI Services has assessed whether the GRI Index has been presented in a manner consistent with the reporting requirements of the GRI Standards and whether the information in the GRI Index is clearly presented and accessible to stakeholders. This service was provided for the German version of the report.

UNIVERSAL STANDARDS

GRI 1	GRI 1: Foundation 2021			Omission (Requirements omitted (RO), Reason (R), Explanation (E))
GRI Standard	Disclosure	Reference/Information		
GENEAL DISCLO- SURES				
1. The organization and its reporting practices				
GRI 2: General Disclosures 2021	2-1 Organizational details	p. 33		
	2-2 Entities included in the organi- zation's sustainability reporting	p. 33		
	2-3 Reporting period, frequency and contact point	p. 33, 63		
	2-4 Restatements of information	2024 apprentice are reported separately; 2023 was restated accordingly		
	2-5 External assurance	p. 33		
2. Activities and workers				
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	p. 33		
	2-7 Employees	p. 49		
	2-8 Workers who are not employ- ees	p. 49		
3. Governance				
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	p. 36, 69-72		
	2-10 Nomination and selection of the highest governance body	p. 69		
	2-11 Chair of the highest governance body	p. 70		
	2-12 Role of the highest governance body in overseeing the management of impacts	p. 36		
	2-13 Delegation of responsibility for managing impacts	p. 36		
	2-14 Role of the highest governance body in sustainability reporting	p. 36		
	2-15 Conflicts of interest	p. 68, 70		
	2-16 Communication of critical concerns	p. 57, 72		
	2-17 Collective knowledge of the highest governance body	p. 36		
	2-18 Evaluation of the performance of the highest governance body	p. 36		
	2-19 Remuneration policies	p. 80-87		
	2-20 Process to determine remuneration	p. 80-87		

GRI Standard	Disclosure	Reference/Information	Omission (Requirements omitted (RO), Reason (R), Explanation (E))
	2-21 Annual total compensation ratio	Notes to the CEO compensation: Compensation report 2023, pp. 80-87	Information not available/incomplete Orell Füssli does not calculate the median total annual compensation for all employees because this figure is not meaningful from the company's perspective.
4. Strategy, policies and practices			
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	S. 4 (Editorial)	
	2-23 Policy commitments	p. 56	
	2-24 Embedding policy commitments	p. 56	
	2-25 Processes to remediate negative impacts	S. 50	
	2-26 Mechanisms for seeking advice and raising concerns	p. 53, 57	
	2-27 Compliance with laws and regulations	p. 53, 57	
	2-28 Membership associations	p. 37	
5. Stakeholder engagement			
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	S. 36	
	2-30 Collective bargaining agreements	No collective employment contracts apply to employees of the Orell Füssli Group. The employment conditions of employees differ from group company to group company.	

TOPIC-SPECIFIC STANDARDS

GRI Standard	Disclosure	Reference/Information	Omission (Requirements omitted (RO), Reason (R), Explanation (E))
MATERIAL TOPICS			
Materiality analysis and list of material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 38	
	3-2 List of material topics	p. 38	
Economics success and profitability of the company			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 40	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	p. 10, 76	
Quality of service and products			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 40	
Digitalisation			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42	
Energy efficiency and climate protection			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 43	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 45	
	302-3 Energy intensity	p. 45	
	302-4 Reduction of energy consumption	p. 45	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 46	
	305-2 Energy indirect (Scope 2) GHG emissions	p. 46	
	305-3 Other indirect (Scope 3) GHG emissions	p. 47	
	305-4 GHG emissions intensity	p. 46	
	305-5 Reduction of GHG emissions	p. 46	
GRI 306: Waste 2020	306-3 Waste generated	p. 48	

GRI Standard	Disclosure	Reference/Information	Omission (Requirements omitted (RO), Reason (R), Explanation (E))
Education and training			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 51	
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	p. 51	
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 51	
Data security and data protection			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 52	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 52	
Leadership culture and collaboration			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 53	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 53	
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 54	
GRI 403: 2018 Occupational Health and Safety 2018	403-1 Occupational health and safety management system	p. 54	
	403-2 Hazard identification, risk assessment, and incident investigation	p. 55	
	403-3 Occupational health services	p. 55	
	403-5 Worker training on occupational health and safety	p. 55	
	403-9 Work-related injuries	p. 55	
	403-10 Work-related ill health	p. 55	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 50	
Compliance and business ethics			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 57	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	p. 57	
	205-3 Confirmed incidents of corruption and actions taken	p. 58	
Human rights assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 58	

Corporate Governance

This report complies with the applicable company law and SIX Swiss Exchange's Directive on Information Relating to Corporate Governance. Unless indicated otherwise, all the information provided is as of 31 December 2024.

All relevant corporate governance documents (Articles of Association, Organisational Regulations, Risk Management and Internal Control System (ICS), Code of Conduct, Rules for Entry of Registered Shares & Share Register Maintenance) can be viewed online on the website of Orell Füssli AG under Corporate Governance (www.orellfuessli.com/en/corporate-governance).

1 Group structure and shareholders

Operational Group structure

In terms of management, the Orell Füssli Group is structured into three divisions and Other business areas. The Security Printing, Zeiser and Book Retailing divisions, and the publishing businesses assigned to Other business areas, enjoy extensive autonomy in their strategic and operational management. Orell Füssli AG exerts influence on the strategic direction of the individual divisions and subsidiaries.

Orell Füssli Thalia AG has its own Executive Board. The Executive Board of Orell Füssli AG exerts influence on the company through its seat on the Board of Directors of Orell Füssli Thalia AG and through exercise of its shareholder rights. This also applies to the subsidiaries Procivis AG and hep Verlag AG.

Companies included in the scope of consolidation

The parent company, Orell Füssli AG, has its registered office in Zurich. The company is listed on SIX Swiss Exchange under security number (Valorennummer) 342 080 and ISIN number CH0003420806. The Legal Entity Identifier No. (LEI) is 5067005U9Z97T4PWVC13. As at 31 December 2024, the company had a market capitalisation of CHF 150.9 million

Orell Füssli AG has no investments in listed companies. A complete overview of significant investments can be found in section 7.5 of the financial report (page 122).

Significant shareholders

In the reporting year, there were no significant changes to the shareholder structure and thus no disclosure notifications. All disclosure notifications can be viewed on the SIX Swiss Exchange website at www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/. For a list of significant shareholders, please refer to the financial report (Note 9.20 on page 135).

Cross-shareholdings

There are no cross-shareholdings with other public limited companies.

2 Capital structure

Capital

The ordinary share capital of Orell Füssli AG amounts to CHF 1,960,000 divided into 1,960,000 registered shares with a nominal value of CHF 1.00 each and is fully paid-in. Each share has

one vote. Only those registered as shareholders in the share register can exercise their voting rights. Shares held by the company have no voting rights. There are no preferential rights or similar entitlements. Orell Füssli AG has not issued any profit-sharing certificates or participation certificates.

As at 31 December 2024, Orell Füssli AG has neither a capital fluctuation margin nor conditional or authorised capital, and no convertible bonds or options are outstanding. Members of the Executive Board are entitled to Orell Füssli shares as disclosed in the Compensation Report (Compensation Report; page 86).

Changes in capital

The share capital of Orell Füssli AG remained unchanged in the reporting year and in the two preceding years.

Own shares

Orell Füssli AG does not possess any own shares and did not conduct any transactions with own shares in the reporting year.

Restrictions on the transferability of shares and nominee registrations

The Articles of Association of Orell Füssli AG do not contain any restrictions on the transfer of shares. Art. 4a of the Articles of Association of Orell Füssli AG states that in order to be entered in the share register with voting rights, buyers of shares must expressly declare that they have acquired the shares in their own name and for their own account. The Board of Directors also enters nominees in the share register with voting rights for up to a maximum of 3% of the share capital indicated in the Commercial Register. Above this limit, the shares of nominees are entered only if the respective nominee informs the company of the names, addresses and shareholdings of the persons on whose account they hold 0.5% or more of the share capital indicated in the Commercial Register. No such requests were received in the reporting period.

Legal entities and partnerships or other associations of persons or joint owners that are associated with or related to one another by virtue of capital ownership or voting rights, common management or in any other manner, and natural persons or legal entities and partnerships that act in a coordinated manner in order to circumvent the provisions on nominees (in particular by acting as a syndicate) shall be regarded as a nominee for the purposes of Art. 4a of the Articles of Association.

If the entry of the buyer into the share register as a shareholder with voting rights is refused, the buyer shall be entered into the share register as a shareholder without voting rights.

3 Board of Directors

The main duties of the Board of Directors are governed by the Swiss Code of Obligations, in particular Art. 716a, and the Organisational Regulations.

The Board of Directors shall consist of a minimum of three and a maximum of seven members elected by the Annual General Meeting.

Election shall be for one year, by an absolute majority of the votes represented at an Annual General Meeting. The election shall be held individually. The Annual General Meeting elects the Chairman of the Board of Directors and the members of the Compensation Committee individually each year. The age and term limits are laid down in section 2.8 of the Organisational Regulations (www.orellfuessli.com/en/corporate-governance).

MEMBERS OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2024

Members of the Board of Directors	Year of birth	Nationality	Function	Independent	Executive function	Member since
Dr Martin Folini	1958	CH	President CC (Chair)	Yes	No	21.05.2020
Dr Luka Müller	1964	CH	Vice President DC (Chair)	Yes	No	21.05.2020
Dr Thomas Moser	1967	CH	CC DC	No	No	07.05.2014
Mirjana Blume	1975	CH	AC (Chair) DC	Yes	No	21.05.2020
Johannes Schaede	1955	CH/DE	-	Yes	No	11.05.2022
Pascale Bruderer	1977	CH	AC DC	Yes	No	07.05.2024

AC = Audit Committee, CC = Compensation Committee, DC = Digital Committee

No member of the Board of Directors holds an executive position with the Orell Füssli Group and did not do so in the three financial years preceding the reporting period. Dr. Thomas Moser is a representative of the largest shareholder, Swiss National Bank (SNB). The SNB has its banknotes produced by Orell Füssli. All other members of the Board of Directors are independent and have no significant business relations with Orell Füssli AG or any other company of the Orell Füssli Group other than their directorship.

Rules in the Articles of Association regarding the maximum number of appointments

According to Art. 18h of the Articles of Association, members of the Board of Directors may not take on more than five additional appointments (as a member of the supreme executive or management body) at listed companies, no more than 10 at non-listed companies and no more than 10 at associations, charitable foundations, family foundations or employee benefit foundations.

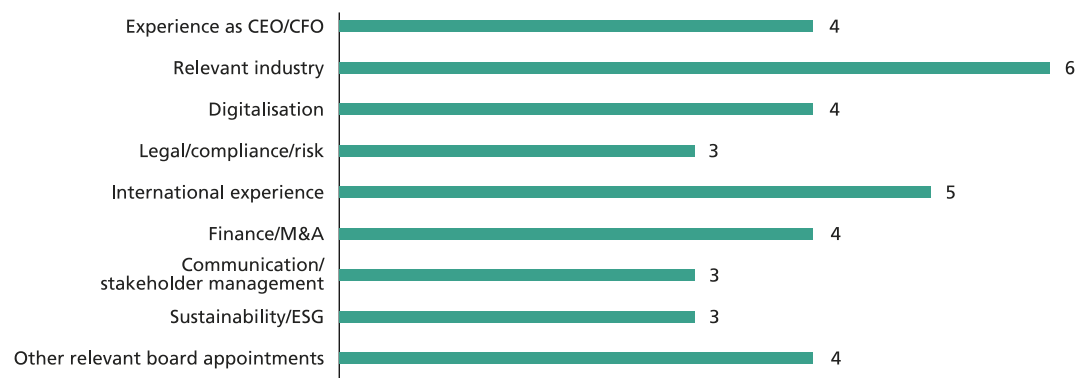
Competencies and self-evaluation of the Board of Directors

When selecting the members of the Board of Directors, care is taken to ensure that the competencies relevant for Orell Füssli's activities are represented and that the necessary specialist knowledge is available.

The Board of Directors assesses the current and future members of the Board of Directors on the basis of a competency matrix to ensure there is an appropriate mix of relevant skills and substantial experience gained through intensive involvement in the relevant area (education or position of responsibility). Particular attention is paid to diversity and complementarity.

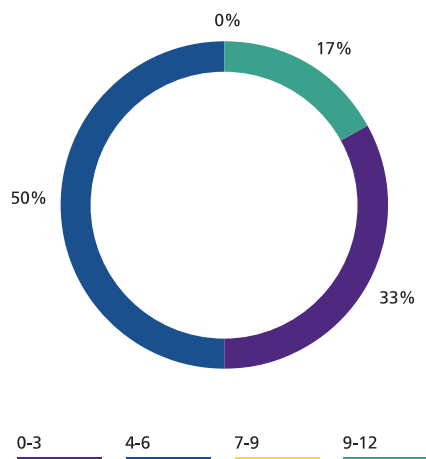
The Board of Directors conducts an annual self-evaluation of its performance.

EXPERTISE AND SUBSTANTIAL EXPERIENCE

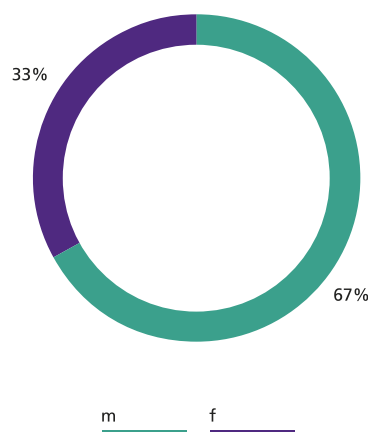


Number of members on the Board of Directors

TERM OF OFFICE IN YEARS



DISTRIBUTION BY GENDER



Internal organisation

The main duties of the Board of Directors are governed by the Swiss Code of Obligations, in particular Art. 716a, and the Organisational Regulations. Management is delegated to the CEO and the Executive Board of Orell Füssli AG. The CEO chairs the Executive Board.

The Board of Directors is supported in its work by the Audit Committee, the Compensation Committee and the Digital Committee.

Audit Committee

The Board of Directors has appointed an Audit Committee to assess the annual and half-year financial statements, risk management, internal control and external audit. The Audit Committee also oversees the sustainability activities. The duties of the Audit Committee are defined in a set of regulations. The Audit Committee has the authority to make decisions subject to approval by the full Board of Directors, which also receives the minutes of the meetings. The Audit Committee is composed of two members of the Board of Directors. The CEO, the CFO, the Head of Internal Audit/Risk Officer and representatives of the auditing company also attend the meetings of the Audit Committee in an advisory capacity. The Audit Committee met four times during the reporting year, each meeting lasting half a day, and held several video conference calls. The Chair of the Audit Committee is in regular contact with the Head of Internal Audit, who reports to her directly.

Compensation Committee

The Board of Directors has appointed a Compensation Committee that determines the remuneration of the Executive Board based on the company's success and performance. The tasks of the Compensation Committee are defined in Art. 18f of the Articles of Association. The Compensation Committee has decision-making authority within the scope of the total compensation approved by the Annual General Meeting. The other members of the Board of Directors are informed after each meeting about the business discussed and the main decisions. The Compensation Committee also acts as a Nomination Committee that supports the Board of Directors in HR planning, with the search for and assessment of candidates for vacant positions on the Board of Directors and the Executive Board. The Compensation Committee is composed of two members of the Board of Directors. The CEO and the Head of Human Resources (minute taker) of the Orell Füssli Group also attend the meetings (both without voting rights). The Compensation Committee meets at least once a year. In the reporting year, the Compensation Committee met twice.

Digital Committee

The Board of Directors has set up a Digital Committee to help define the Group's digital issues and prepares them for the Board of Directors. The Digital Committee is a committee of the Board of Directors with no supervisory or decision-making authority. The Digital Committee is made up of four members of the Board of Directors and is chaired by one member of the Board of Directors. The CEO and the Head of Corporate Development of the Orell Füssli Group also attend the meetings. The Committee met twice in the reporting year. One session served to prepare for a meeting of the Board of Directors. The Chair of the Digital Committee maintains regular contact with the Head of Corporate Development.

Meetings of the Board of Directors and attendance

The Board of Directors meets as often as business requires, but at least once per quarter. On invitation, executive managers also take part in the meetings. The Board of Directors may call in external advisors to deal with specific issues. At least one meeting of the Board of Directors is held at one of the subsidiaries.

The table below shows the number of meetings of the Board of Directors and its ordinary committees in 2024, the average meeting duration and the attendance of the individual board members.

	Board of Directors	Audit Committee	Compensation Committee	Digital Committee
Meetings and Video Conferences				
Number of Meetings	5	4	2	2
Number of Video Conferences	1	–	1	–
Average duration (h)	7.0	3.0	2.0	3.0
Attended Meetings and Video Conferences				
Dr Martin Folini	6	–	3	–
Dr Luca Müller	6	–	–	2
Dr Thomas Moser	6	–	3	2
Mirjana Blume	6	4	–	2
Johannes Schaede	6	–	–	–
Pascale Bruderer ¹	4	2	–	1
Dieter Widmer ²	2	2	–	–

1) Member since May 2024

2) Member until May 2024

Division of responsibilities between the Board of Directors and the Executive Board

The division of responsibilities between the Board of Directors and the Executive Board is governed in the Organisational Regulations (<https://orellfuessli.com/en/corporate-governance>). The Board of Directors decides on the business policy, the organisational structure and the election of the CEO and the Executive Board, approves the budgets and decides on proposals that are assigned to it as part of the division of responsibilities. The Board of Directors has delegated the management of the business to the Executive Board, chaired by the CEO.

Information and control instruments of the Board of Directors

The CEO informs the Board of Directors at its meetings about the current course of business and important business transactions. Financial reporting to the Board of Directors includes monthly management reporting, which presents the financial situation of the Group and the individual companies by means of income statements, balance sheets, cash flow statement and various key figures. An overview of the Group's liquidity situation is also generated on a monthly basis. This is supplemented by the half-year report and annual report with audited annual financial statements at the end of the financial year.

The Chairman of the Board of Directors meets regularly with the CEO, including for updates on the most important events and the current course of business.

The Board of Directors and in particular the Audit Committee monitor risk management and the implementation of the Internal Control System (ICS). The Audit Committee sets its own audit areas and is informed at the meetings by the Head of Internal Audit/Risk Officer about the results of the audits carried out by independent internal or external bodies. The description of the ICS and risk management can be viewed online under Corporate Governance (www.orellfuessli.com/en/corporate-governance).

Internal audit

The main task of Internal Audit (IA) is to assess and, if necessary, improve the effectiveness and efficiency of risk management, the internal management and control systems, and the management processes (governance). In addition, IA reviews compliance with standards and provides independent and objective assurance and advisory services. The Head of IA reports directly to the Chair of the Audit Committee. This position has been held by an external specialist on a part-time basis since 2019. In the reporting year, three audits/reviews were conducted with a focus on Orell Füssli AG, with one audit focusing on Zeiser GmbH. Further activities took place in risk review and coordination and in financial assurance. More audits/reviews and assurance activities at Group level and within the divisions will follow in 2025.

4 Executive Board

Point 2.2 of the Organisational Regulations of Orell Füssli AG (www.orellfuessli.com/en/corporate-governance) state that the Board of Directors delegates the operational management in full to the CEO of Orell Füssli AG. The CEO's main duties include the planning, operational management and monitoring of day-to-day business operations. In consultation with the Board of Directors, the CEO establishes an Executive Board and chairs the monthly meetings of the Executive Board, which are also attended by the Head of Publishing and the HR Manager of Orell Füssli AG.

	Function	Year of birth	Nationality	in Function since	Length of service (years)
Daniel Link	CEO	1969	CH	November 2019	5.2
Reto Janser	CFO	1971	CH	June 2021	3.5
Désirée Heutschi	Head of Corporate development Co-CEO Procvivis AG	1973	CH	January 2021	4.0
Dr Michael Kasch	Managing Director of Security Printing	1968	DE	January 2019	6.0
Thorsten Tritschler	Managing Director of Zeiser	1964	DE	October 2018	38.0

Rules in the Articles of Association regarding the maximum number of appointments

According to Art. 18h of the Articles of Association, members of the Executive Board may not take on more than two additional appointments (as a member of the supreme executive or management body) at exchange-listed companies or non-listed companies, plus no more than three additional appointments at associations or charitable foundations (five appointments in total).

The company has not entered into any management contracts with companies or natural persons outside the Orell Füssli Group.

5 Compensation

The compensation of the members of the Board of Directors and the Executive Board, including statutory provisions, is presented on pages 80–87 of the compensation report.

6 Shareholders' participation rights

In relation to the company, only those persons entered in the share register are recognised as shareholders (Articles of Association: Art. 4). Registration in the share register requires proof of beneficial ownership of the shares to be registered. The conditions are set out in the regulations of the Board of Directors on the Entry of Registered Shares & Share Register Maintenance, which, like the Articles of Association of the Company, are available online.

To participate in the Annual General Meeting, the shareholder must be registered as a shareholder with the right to vote in the share register of the company on the date designated by the Board of Directors (Articles of Association: Art. 8). Shareholders who have registered in this way will receive an admission ticket in their name or access details for electronic participation.

A shareholder who does not attend the Annual General Meeting in person may be represented by a proxy of their choice by submitting a written power of attorney to the company (Articles of Association: Art. 8).

Shareholders representing at least 5% of the share capital may request that an extraordinary general meeting be convened within three weeks (Articles of Association: Art. 6).

Shareholders representing at least 0.5% of the share capital may request that an item be included on the agenda. Such a request must be made in writing at least 45 days before the meeting, stating the agenda item and the motion proposed by the shareholder (Articles of Association: Art. 6).

Shareholders may participate in votes and elections at the Annual General Meeting by authorising or instructing the independent proxy; authorisations or instructions to the independent proxy may also be issued electronically (Articles of Association: Art. 8). The independent proxy is elected by the Annual General Meeting for a term of office of one year.

7 Change of control and defensive measures

There are no rules in the Articles of Association on "opting out" or "opting up".

Orell Füssli AG does not have any change of control clauses for members of the Board of Directors and the Executive Board.

8 Auditors

Duration of the mandate and term of office of the lead auditor

The external Auditors are elected by the Annual General Meeting of shareholders for a term of office of one year.

PricewaterhouseCoopers (PwC) has been the statutory auditor since 2003. Following a public invitation to tender for the mandate and at the request of the Board of Directors, the external audit of Orell Füssli AG and the consolidated financial statements was again awarded to PricewaterhouseCoopers at the Annual General Meeting on 28 April 2016. The auditor in charge, Thomas Ebinger, has been the lead auditor since the 2022 financial year. Audit fees of CHF 201,123 (2023: CHF 230,100) were charged by PricewaterhouseCoopers in the 2024 reporting year. Additional fees totalling CHF 5,756 (2023: CHF 9,270) were charged by PricewaterhouseCoopers in the 2024 reporting year.

Audit supervision and control instruments

The supervision and control of the external auditor is carried out by the Audit Committee of the Board of Directors (Audit Committee: page 71). Representatives of the auditing company are also invited to attend the meetings of the Audit Committee as informants. The Audit Committee assesses the performance, fees and independence of the external auditors. The criteria for this are professional competence, scope and quality of the written reports and oral statements, practical feasibility of the recommendations, transparent and effective communication and coordination, and adherence to deadlines. The Audit Committee conducts an annual review and discussion with the external auditors on the scope of their work, the audit planning and relevant procedures, and the audit results. The external auditor's reporting includes the audit reports and the comprehensive report of the auditor for the attention of the Audit Committee and the Board of Directors for the completed financial year.

9 Information policy

In March, after the close of the financial year, the detailed annual figures are published in a media release and the annual report is put online (www.orellfuessli.com/en/financial-reports-presentations). A financial analysts' conference is held on the same day.

The Annual General Meeting is held in April or May. After the half-year results, a press release is published by the Group (early August at the latest). The scheduled publication dates are available online (www.orellfuessli.com/en/dates). Disclosures to shareholders are also published in the Swiss Official Gazette of Commerce (SHAB).

Shareholders receive the annual financial statements (summary report) and a letter regarding the half-year report. The media releases can also be accessed online (www.orellfuessli.com/en/media/press-releases).

From 1 January/1 July until the publication of the annual/half-year financial statements of the Orell Füssli Group, no transactions involving Orell Füssli AG shares and related financial instruments may be carried out by members of the Board of Directors or the Executive Board, or by individuals who are involved in the preparation of the financial statements or have access to financial figures. This is explicitly documented in the internal regulations of Orell Füssli AG, and the individuals concerned are additionally informed by email about the commencement, scope and conclusion of the trading blackout period. There are no exceptions to these blackout periods.

Extraordinary events relevant to the stock exchange are published in ad hoc announcements in accordance with Art. 53 of the Listing Rules of SIX Swiss Exchange. The corresponding announcements can be subscribed to (www.orellfuessli.com/en/subscription-for-press-releases).

Orell Füssli investor relations representatives can be reached via the website, email, phone or post. The URL for the Orell Füssli website, contact details, and the address for the headquarters are included in the legal notice on page 142.

Members of the Board of Directors



CHAIRMAN OF THE BOARD OF DIRECTORS
Chairman of the Compensation Committee
Member of the Board of Directors since 2020

Dr Martin Folini

Swiss, born 1958
Dr sc. techn. ETH Zurich (Mechanical Engineering/BWI), AMP Wharton School, University of Pennsylvania

POSITIONS

1985–1990 Foundation for Research and Consulting at BWI, ETH Zurich, Project Manager
1990–1993 Isopress AG, Managing Director
1993–2009 Rieter Textile Systems, various management positions, most recently CEO Spun Yarn Systems Business Unit
2010–2014 K.R. Pfiffner AG, CEO and member of the Board of Directors Pfiffner Group
2014–2016 Saurer AG, CEO Saurer Group
Since 2017 Independent member of the Board of Directors



VICE CHAIRMAN OF THE BOARD OF DIRECTORS
Chairman of the Digital Committee
Member of the Board of Directors since 2020

Dr Luka Müller

Swiss, born 1964
Lawyer, LL.M.

Degree from the University of Zurich, doctorate from the University of Basel and master's from the London School of Economics (LSE)

POSITIONS

1990–1993 Legal internship in the courts of Zug, bar exam and examining magistrate in Zug
1993–1994 Degree course at the London School of Economics (LSE)
1995–1998 Lawyer at a commercial law firm in Zurich and Zug
Since 1999 Co-founder/partner; until 2019 managing partner of MME Legal | Tax | Compliance AG



MEMBER OF THE BOARD OF DIRECTORS
Member of the Compensation Committee
Member of the Digital Committee
Member of the Board of Directors since 2014

Dr Thomas Moser

Swiss, born 1967
Dr oec. publ., University of Zurich

POSITIONS

1996–1999 Economist, KOF Swiss Economic Institute at ETH Zurich
1999–2001 Economist, Swiss National Bank, Research Associate
2001–2004 International Monetary Fund (IMF), Washington, USA, Advisor; from 2002 Senior Advisor to the Executive Director of the IMF constituency headed by Switzerland
2004–2006 Swiss National Bank, Assistant Director
2006–2009 International Monetary Fund, Washington, USA, Executive Director of the IMF constituency headed by Switzerland
Since 2010 Swiss National Bank, Alternate Member of the Governing Board
Since 2015 Member of the Managing Committee of the Swiss Institute of Banking and Finance, University of St. Gallen
Since 2017 Member of the Advisory Board, Swiss International Finance Forum
Since 2021 Visiting professor at the Faculty of Economics, University of Lucerne

Other appointments of the members of the Board of Directors are listed in the Compensation Report on page 88.



MEMBER OF THE BOARD OF DIRECTORS

Chair of the Audit Committee
Member of the Digital Committee
Member of the Board of Directors since 2020

Mirjana Blume

Swiss, born 1975
Executive MBA, University of St. Gallen
Business Economist FH, ZHAW

POSITIONS

1996–1997 Schulthess Maschinen AG, Accountant
1997–1999 PricewaterhouseCoopers AG, Tax Consultant
1999–2000 Swissôtel Management Europe AG, Regional Accountant and Controller
2000–2006 MediCentrix AG, MediService AG, CFO, Head of Sourcing & IT, Member of the Management and the Board of Directors
2006–2008 Novartis Pharma Schweiz AG, Business Planning and Analysis Manager/Deputy Head of Oncology
2008–2011 Edisun Power Europe AG, CFO, CEO (09–11)
2012–2018 Qnective AG, CFO
2018 Jedlix B.V., Rotterdam, Netherlands, CFO (interim)
2021–2024 Synhelion SA, CFO
Since 2019 SML Solutions AG, Managing Director



MEMBER OF THE BOARD OF DIRECTORS

Member of the Board of Directors since 2022

Johannes Schaede

Swiss and German, born 1955
Machine installation apprenticeship, KSB AG, Frankenthal
Degree from ETH Zurich, Dipl. Ing.

POSITIONS

1983 Banknote printing internship, Bundesdruckerei Berlin
1984 Banknote Machine Designer, Koenig & Bauer AG, Würzburg
1989–1990 Head of Production Banknote Machines, Egenolf Contracting, Indianapolis
1990–2001 Authorised signatory for banknote machines, Koenig & Bauer AG, Würzburg
2001–2021 CTO Koenig & Bauer BNS SA Lausanne
Since 2007 Teaching position, OWL University of Applied Sciences and Arts, Lemgo



MEMBER OF THE BOARD OF DIRECTORS

Member of the Audit Committee
Member of the Digital Committee
Member of the Board of Directors since 2024

Pascale Bruderer

Swiss, born 1977
lic. phil. Master's degree in Political Science, University of Zurich

POSITIONS

2002–2019 Member of the Federal Parliament: National Councillor (2002–2011), President of the National Council (2009/2010), Council of States (2011–2019)
2006–2007 Microsoft Schweiz GmbH, Programme Manager Education and Social Responsibility
2008–2019 Founder and partner of Machs! GmbH management consulting; various mandates, including Managing Director of Krebsliga Aargau (2009–2012)
Since 2019 Crossiety AG, partner and executive member of the Board of Directors
Since 2022 Swiss Stablecoin AG, founder and Chairwoman of the Board of Directors

Members of the Executive Board



CEO ORELL FÜSSLI AG
Member of the Executive Board of Orell Füssli AG

Daniel Link

Swiss, born 1969
Degree in microengineering, ETH Lausanne;
Executive MBA in General Management,
St. Gallen

POSITIONS

1994–1996 Laboratoire de Microtechnique (LMT),
Research Assistant

1996–2007 OC Oerlikon/ESEC, various R&D
positions

2007–2010 Rieter Management AG, Project Man-
ager Group Development

2010–2018 Bräcker AG, CEO

2018–2019 Gebrüder Loepfe AG, CEO

Since 1 November 2019 CEO, Orell Füssli AG



CFO ORELL FÜSSLI AG
Member of the Executive Board of Orell Füssli AG

Reto Janser

Swiss, born 1971,
Business Economist (lic. oec. HSG University
St. Gallen)

POSITIONS

1996–2000 Swiss Re, Controller

2001–2003 Booz Allen & Hamilton AG,
Management Consultant

2003–2004 Würth Holding GmbH, Controller

2005–2014 Würth Finance International B.V.,
Head of Controlling and Accounting

2014–2017 ERNI Management Services AG, CFO

2018–2021 Suhner Holding AG, CFO

Since 1 June 2021 CFO Orell Füssli AG



**HEAD OF CORPORATE DEVELOPMENT,
ORELL FÜSSLI AG**
Member of the Executive Board of Orell Füssli AG

Désirée Heutschi

Swiss, born 1973
Executive Master of Business Law, University
of St. Gallen
Master of International Relations, HEI, Paris

POSITIONS

1999–2000 Genentech (Roche),
South San Francisco, USA, Legal Associate

2000–2004 Genesys, San Francisco, USA, various
positions, most recently as Director of Business
Development & Strategy

2005–2019 Microsoft Switzerland, various
management roles

2019–2020 Swiss Startup Factory, CEO/Member
of the Executive Board of the Swiss Startup Group

Since 1 January 2021 Head of Corporate Develop-
ment Orell Füssli AG

Since 1 November 2023 Co-CEO Procvivis AG



MANAGING DIRECTOR OF SECURITY PRINTING
Member of the Executive Board of Orell Füssli AG

Dr Michael Kasch

German, born 1968
Doctorate in organic chemistry, University of Kiel

POSITIONS

1994–1996 University of Kiel, Institute of Organic Chemistry, Assistant Professor

1997–1999 Consortium für elektronische Industrie GmbH, Munich, Head of Laboratory R&D

1999–2005 Wacker-Chemie AG, Burghausen, Laboratory Head of Technical Marketing with responsibility for Business Development & Product Management

2005–2018 SICPA Germany GmbH, Munich, Managing Director

2010–2018 SICPA S.A., Regional Business Director Banknote for Western Europe & Canada

Since 1 January 2019 Managing Director Security Printing



MANAGING DIRECTOR ZEISER GMBH
Member of the Executive Board of Orell Füssli AG

Thorsten Tritschler

German, born 1964
Commercial training; Dual Executive MBA
GSBA Zurich, SUNY Albany/NY

POSITIONS

1983–1986 Zeiser, Production Planning/Service

1986–1989 Gebel-Automatik, Sales Coordinator

1989–1992 Zeiser, Key Account Manager

1992–2002 Atlantic Zeiser, Sales Manager EURASIA

2002–2008 Atlantic Zeiser, Sales Director

2008–2012 Atlantic Zeiser, Head of Business Unit Banknote Systems

2012–2015 Atlantic Zeiser, CSO

2015–2018 Atlantic Zeiser, Head of Business Unit Security Printing Systems

Since 1 October 2018 Managing Director, Zeiser GmbH

Management of major investments and divisions

Pascal Schneebei: CEO Orell Füssli Thalia AG

Andreas Freitag: Co-CEO Procivis AG

Martina Barth: Head of Orell Füssli Publishers

Sonja Lütolf: HR Manager Orell Füssli AG

Compensation Report

This report is issued in accordance with the requirements of the applicable Corporate Law as well as the Directive on Information relating to Corporate Governance of SIX Exchange Regulation. Unless otherwise indicated, all the information provided is valid as at 31 December 2024.

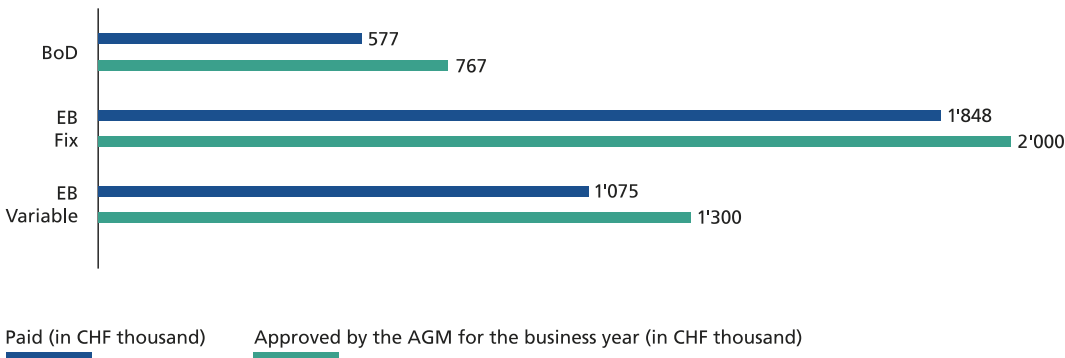
1 Preamble

This Compensation Report provides an overview of the compensation principles and the compensation system at Orell Füssli. It describes how the compensation of the members of the Board of Directors and the Executive Board is determined and provides information on the compensation actually granted. This Compensation Report fulfils the requirements of Art. 734 et seq. of the Swiss Code of Obligations and is based on the SIX Swiss Exchange guidelines on corporate governance information and the Articles of Association of Orell Füssli AG. Art. 18a sets out the principles for the compensation of the Board of Directors and Executive Board. The provisions applicable to voting at the Annual General Meeting regarding the compensation of the members of the Board of Directors and the Executive Board are set out in article 18c of the Articles of Association, and those regarding any additional amounts in article 18b thereof. The Articles of Association are available on the Orell Füssli website under Corporate Governance (www.orellfuessli.com/en/corporate-governance).

Based on the Board of Director’s proposal, the Annual General Meeting approves the maximum compensation of the Board of Directors for the period until the next Annual General Meeting as well as the maximum compensation of the Executive Board for the following financial year.

The provisions applicable to variable compensation and share allocations are set out in articles 18d and e of the Articles of Association (www.orellfuessli.com/en/corporate-governance). The compensation paid is disclosed in accordance with the accrual principle of accounting. In other words, all compensation is recognised in the period in which the entitlement to the compensation arises.

OVERVIEW OF THE COMPENSATION PAID AND APPROVED BY THE BOARD OF DIRECTORS AND EXECUTIVE BOARD FOR THE 2024 FINANCIAL YEAR



2 Compensation policy

Orell Füssli pursues a long-term business strategy in order to create lasting value from which all stakeholders benefit. Profitability and sustainable growth are important goals. These are associated with environmentally conscious, socially responsible behaviour towards all stakeholder groups.

The compensation philosophy is designed to reflect this corporate strategy and the nature of the Orell Füssli Group's business model. Compensation for the Group's Executive Board should be attractive in order to attract and retain suitable management personnel, while incentivising the long-term success of the Orell Füssli Group. To this end, the Orell Füssli Group has created a compensation system that is fair, transparent, comprehensible and in line with market conditions, but is also moderate and takes the following aspects into account:

- Fixed salaries are based on function, responsibility and experience
- Balanced mix of fixed and variable salary components
- The variable salary component is higher the greater a person's freedom of action and the greater the responsibility they bear
- The maximum variable salary component is not greater than the fixed salary component
- The variable salary components are performance-related and linked to clearly formulated targets (pay-for-performance approach)
- The compensation of the Executive Board is linked to the company's long-term success
- Company success is more important than personal success; for all bonuses, the company's financial targets carry 70% weight, while personal targets carry 30% weight
- Profit-sharing: bonuses above the target value of 100% will only be paid if the company is successful and the company targets (EBIT) are exceeded

3 Tasks and competences of the Compensation Committee

The Board of Directors bears overall responsibility for the tasks and competences assigned to the Compensation Committee, such as resolutions on the compensation policy, the basic structure of the compensation system and compensation proposals to the Annual General Meeting. In accordance with the Articles of Association, the Organisational Regulations and the Compensation Committee Regulations of Orell Füssli, the Compensation Committee acts as the supervisory body for personnel and compensation policy within the Orell Füssli Group. The Board of Directors has also assigned tasks in the areas of personnel planning, search and evaluation to this committee. The following main tasks of a compensation and nomination committee are therefore summarised in this committee:

- Review and preliminary discussion of the compensation policy and salary system of Orell Füssli AG and controlled subsidiaries
- Annual review and proposal of the maximum total compensation of the Board of Directors and Group Management and preparation of proposals to the Annual General Meeting
- Preparation of a proposal for the compensation of the members of the Board of Directors and the Executive Management
- Setting targets, assessing the performance and target achievement of the CEO and the Executive Board in collaboration with the Chairman
- Annual determination of the threshold values for calculating the bonuses (see page 71)
- Ensuring long-term personnel planning for the positions of the Board of Directors and the management
- Searching for and recommending candidates to fill vacant positions on the Board of Directors and the Executive Board

DEMARCATIION OF COMPETENCES

	CEO	Compensation Committee	Board of Directors	General Meeting
Compensation policy including principles for variable salary components and LTI-programm ¹		proposes	approves	
Maximum compensation for the Board of Directors and Executive Board		proposes	requests	approves
Compensation of the members of the Board of Directors		proposes	approves	
Performance appraisal and compensation of the CEO		proposes	approves	
Performance appraisal and compensation of the members of the Executive Board	proposes	approves	approves	
Compensation report		proposes	approves	approves

4 Structure of the compensation system

4.1 Compensation of the Board of Directors

The members of the Board of Directors receive fixed compensation in cash only. The amount of total compensation is based on responsibility, time spent and additional functions on the Board of Directors' committees and is based on the following structure:

	Board of Directors	Audit Committee	Digital Committee	Compensation Committee
Chairman	180,000	20,000	20,000	-
Member	60,000	10,000	10,000	-

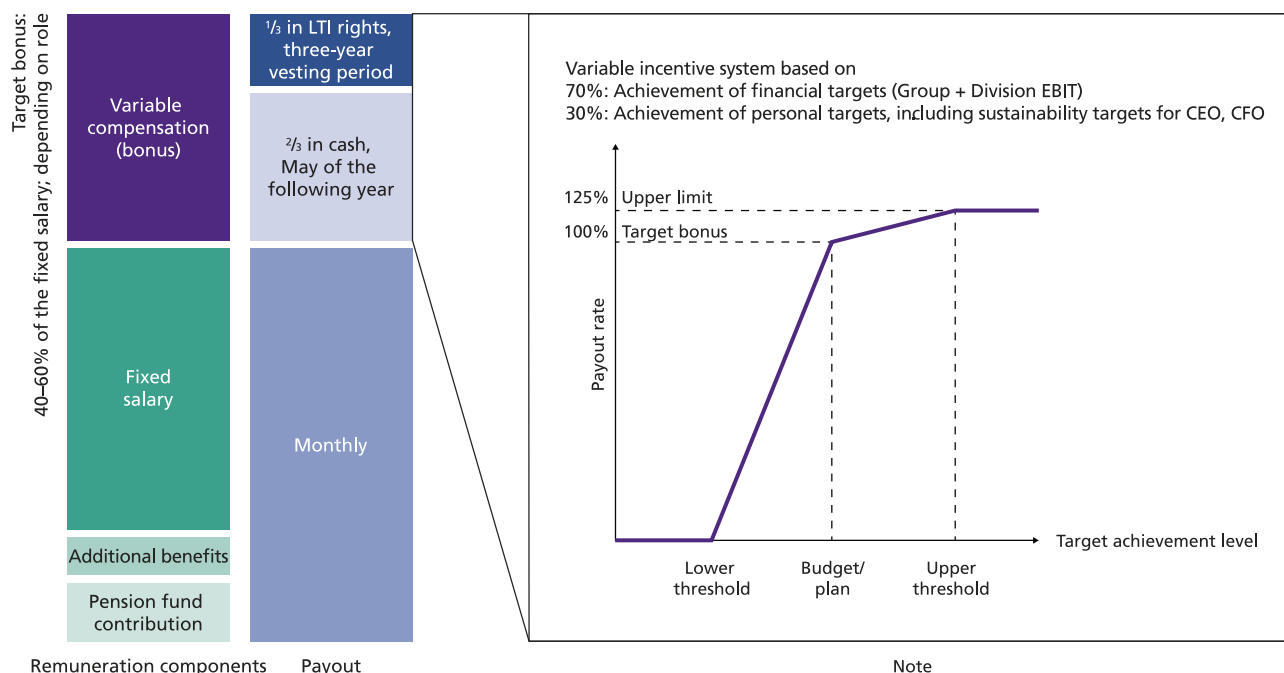
Compensation is based on a term of office. This begins with the election of the individual members to the Board of Directors at the Annual General Meeting and lasts until the next Annual General Meeting. In the event that members of the Board of Directors join or resign between ordinary Annual General Meetings, the amount of compensation will be based on the effective term of office. The amount of the defined fixed fee is based on the assumption that five meetings of the Board of Directors or at least two meetings per committee are held each year. Compensation covers all ordinary and extraordinary meetings of the Board of Directors and the committees as well as their preparation and follow-up.

4.2 Compensation of the Executive Board

In accordance with Orell Füssli's compensation policy, the CEO and members of the Executive Board receive fixed compensation and a performance-related bonus. In addition, there are lump-sum expenses and contributions to the Pension Fund. Apart from its contributions to the Pension Fund, whose upper limit (maximum insured salary) of CHF 882,000 is set by the BVG, the Orell Füssli Group has not provided for any special retirement pension programmes.

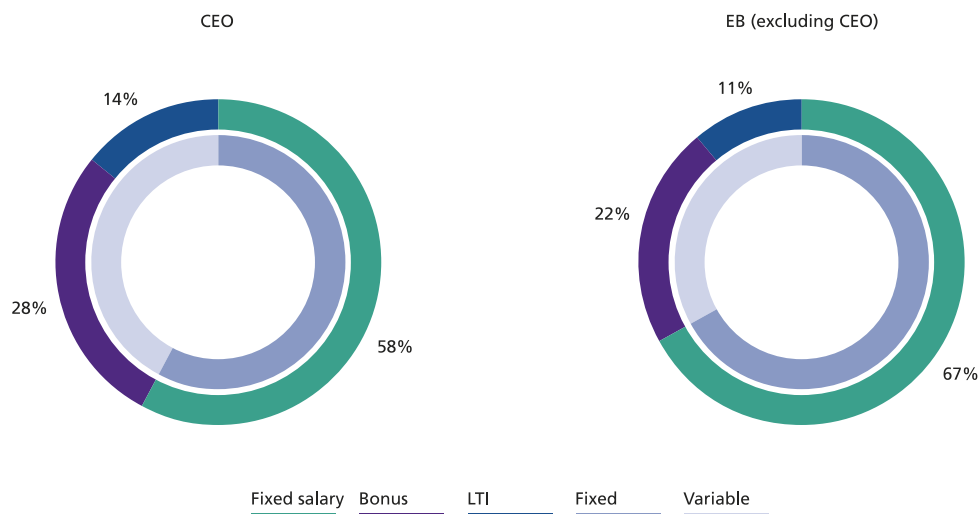
The compensation model as described below entered into force on 1 January 2022.

THE COMPENSATION SYSTEM FOR THE MANAGEMENT BOARD – OVERVIEW AND EXPLANATION



The variable component is designed to enable the members of the Executive Board to participate in the success of the company depending on their contribution and the achievement of financial targets. The variable portion is calculated on the basis of bonus regulations approved by the Board of Directors. The members of the Executive Board receive two-thirds of their bonus in cash (short-term performance-based compensation) and one-third as deferred compensation in the form of shares (LTI rights; long-term performance-based compensation). At the end of the three-year vesting period, participants receive one share or the corresponding cash payment for each entitlement. If the participant leaves the company before the end of the vesting period, their entitlement to the shares will usually expire. The cash bonus and any allocated future benefits are generally paid out with the salary for the month of May of the following year.

COMPENSATION MIX OF FIXED AND VARIABLE COMPONENTS FOR 2024



The variable salary component of compensation for 100% target achievement is determined individually and amounts to between 40% and 60% of the basic salary. It is calculated according to a predefined formula based on EBIT as well as the achievement of the agreed annual goals (weightings: EBIT 70% and individual goals 30%). The goals may be exceeded; the maximum bonus is 125% of the target bonus. Executive Board members are assessed against the EBIT and the group's or respective division's results.

The individually determined goals, which have a three- to five-year horizon, comprise quantitative and qualitative components. Such goals must also be specific, measurable, challenging, relevant and time-bound. The CEO and CFO have at least one ESG target. With the involvement of the Executive Board members, the CEO elaborates the goals of the individuals, the assessment criteria and the range of values. The proposals are then submitted to the Compensation Committee of the Board of Directors for approval.

The compensation of the Executive Board includes individually agreed additional benefits, such as the provision of a company vehicle at no charge or the reimbursement of the cost of a rail season ticket (GA).

A bonus regulation also allows for one-time, individual cash payment to employees of the Orell Füssli Group as a reward for extraordinary special services at the discretion of the Executive Board and the Board of Directors.

No severance payments ('golden parachutes') have been agreed with any of the members of the Board of Directors and the Executive Board. The members of the Executive Board do not have long-duration contracts (maximum period of notice of six months).

Comparative analysis of the CEO's compensations

In the 2023 financial year, the CEO's compensation was reviewed based on the data at the end of 2022 using a benchmark. Composed of 20 companies listed in Switzerland, the benchmark index was selected by the Ethos Foundation (excluding companies active in the financial services sector). Three equally weighted criteria were used to measure this peer group: market capitalisation, number of employees and total revenue.

Benchmarking confirmed that the current compensation approach is comparable to that of the peer group. The total compensation of the CEO lies between the median and the mean average of the peer group.

* Lastminute.com NV, Carlo Gavazzi Holding AG, Zug Estates Holding AG, HIAG Immobilien Holding AG, Klingelberg AG, Basilea Pharmaceutica AG, Elma Electronic AG, Lalique Group SA, MCH Group AG, Adval Tech Holding AG, Varia US Properties AG, IVF Hartmann Holding AG, Hochdorf Holding AG, Tornos Holding AG, Piazza AG, BVZ Holding AG, Warteck Invest AG, Leclanché SA, Fundamenta Real Estate AG, SHL Telemedicine Ltd.

Compensation 2024

(audited by the external auditor from this point until the end of page 88)

The compensation shown relates to the services provided during the reporting period. The following tables therefore include all entitlements to compensation relating to the 2024 financial year in full. Compensation that has not yet been paid is accrued in the financial year in question, even when the payment will only be made in the following year.

COMPENSATION OF THE MEMBERS OF THE BOARD OF DIRECTORS FOR THE 2024 FINANCIAL YEAR

in CHF	Fixed com- pensation	Functional supple- mentary allowance ²⁾	Other payments		Total 2024
	in cash	in cash	Special allowances	Social security expenses	
Dr Martin Folini, Chairman, Compensation Committee (Chairman)	180,000	–	–	10,494	190,494
Dieter Widmer (until 7 May 2024), Vice Chairman, Audit Committee (Chairman)	20,000	6,667	–	1,896	28,563
Dr Luka Müller, (as of 8 May 2024 Vice Chairman), Digital Committee (Chairman) ¹⁾	60,000	20,000	–	–	80,000
Dr Thomas Moser, Compensation Committee (Member), Digital Committee (Member)	60,000	10,000	–	5,271	75,271
Mirjana Blume, Audit Committee (as of 8 May 2024 Chairwoman), Digital Committee (Member) ¹⁾	60,000	26,667	–	–	86,667
Johannes Schaede, Member of the Board of Directors	60,000	–	–	2,779	62,779
Pascale Bruderer (as of 8 May 2024), Audit Committee (Member), Digital Committee (Member) ¹⁾	40,000	13,333	–	–	53,333
Total	480,000	76,667	–	20,440	577,107

1) Payout by invoice without VAT

2) Compensation for members of the Audit Committee and the Digital Committee

COMPENSATION OF THE MEMBERS OF THE BOARD OF DIRECTORS FOR THE 2023 FINANCIAL YEAR

in CHF	Fixed com- pensation	Functional supple- mentary allowance ²⁾	Other payments		Total 2023
	in cash	in cash	Special allowances	Social security expenses	
Dr Martin Folini, Chairman, Compensation Committee (Chairman)	176,668	–	–	11,863	188,531
Dieter Widmer, Vice Chairman, Audit Committee (Chairman)	60,000	20,000	–	5,920	85,920
Dr Luka Müller, Digital Committee (Chairman) ¹⁾	60,000	20,000	–	–	80,000
Dr Thomas Moser, Compensation Committee (Member), Digital Committee (Member)	60,000	10,000	–	5,180	75,180
Mirjana Blume, Audit Committee (Member), Digital Committee (Member) ¹⁾	60,000	20,000	–	–	80,000
Johannes Schaede, Member of the Board of Directors	60,000	–	–	2,722	62,722
Total	476,668	70,000	–	25,685	572,353

1) Payout by invoice without VAT

2) Compensation for members of the Audit Committee and the Digital Committee

The social security expenses include the mandatory employer's contributions. No pension fund contributions were made.

COMPENSATION OF THE MEMBERS OF THE EXECUTIVE BOARD FOR THE 2024 FINANCIAL YEAR

in CHF	Fixed compensation	Short-term performance-based compensation	Long-term performance-based compensation ²⁾	Premium allowances	Other payments	Social security and pension fund expenses	Total 2024
	in cash	in cash	in share entitlements	in cash			
Daniel Link, CEO Orell Füssli Group ¹⁾	434,000	211,098	105,549	–	1,055	168,455	920,157
Other members of the Executive Board ¹⁾	1,080,781	371,480	185,740	20,000	24,240	320,357	2,002,598
Total	1,514,781	582,578	291,289	20,000	25,295	488,812	2,922,755

1) The Executive Board consisted of five members as of 31 December 2024 (CEO included).

2) Allocated share entitlements in the 2024 financial year: Daniel Link 1'308, Désirée Heutschi 585, Reto Janser 562, Dr. Michael Kasch 758, Thorsten Tritschler 399

Total allocated share entitlements: Daniel Link 3'782, Désirée Heutschi 1'646, Reto Janser 1'659, Dr. Michael Kasch 2'253, Thorsten Tritschler 1'178

COMPENSATION OF THE MEMBERS OF THE EXECUTIVE BOARD FOR THE 2023 FINANCIAL YEAR

in CHF	Fixed compensation	Short-term performance-based compensation	Long-term performance-based compensation ²⁾	Premium allowances	Other payments	Social security and pension fund expenses	Total 2023
	in cash	in cash	in share entitlements	in cash			
Daniel Link, CEO Orell Füssli Group ¹⁾	414,000	202,032	101,016	–	1,055	147,464	865,567
Other members of the Executive Board ¹⁾	1,040,453	354,616	177,307	28,000	27,257	304,795	1,932,428
Total	1,454,453	556,648	278,323	28,000	28,312	452,259	2,797,995

1) The Executive Board consisted of five members as of 31 December 2023 (incl. the CEO).

2) Allocated share entitlements in the 2023 financial year: Daniel Link 1'396, Désirée Heutschi 596, Reto Janser 641, Dr. Michael Kasch 843, Thorsten Tritschler 373

Total allocated share entitlements: Daniel Link 2'481, Désirée Heutschi 1'062, Reto Janser 1'110, Dr. Michael Kasch 1'504, Thorsten Tritschler 562

The social security and pension fund expenses include the mandatory and voluntary employer's contributions. The pension fund contributions are made jointly by the employer and the employee.

The amount of the long-term performance-related compensation (share entitlements) refers to the performance year (vesting period), which corresponds to the financial year. The amount recorded is an estimate, since the exact amount of the allocated share entitlements is determined only after the Annual General Meeting in the spring of the following year. The vesting period of three years begins from the date they are allocated. In accordance with Swiss GAAP FER, share entitlements are deferred over the entire term until the expected end of the vesting period.

Loans and other payments

The statutory rules regarding credits, loans and pension benefits are set out in the Articles of Association under Art. 18i (www.orellfuessli.com/en/corporate-governance).

In the 2023 and 2024 financial years, no loans were granted to current or former members of the Board of Directors and the Executive Board. Additionally, no guarantees were given on behalf of the members of these bodies for loans granted by third parties. As at 31 December 2024, no such loan receivables were disclosed on the balance sheet.

Further disclosures

The Orell Füssli Group did not make any payments to current or former members of the Board of Directors and the Executive Board or persons close to them that extend beyond the information provided in this Compensation Report. Furthermore, the Orell Füssli Group did not waive any claims against such persons.

Shares held by members of the Board of Directors and the Executive Board

As of the balance sheet date, the Board of Directors and the members of the Executive Board held the following shares in Orell Füssli AG:

SHARES HELD BY MEMBERS OF THE BOARD OF DIRECTORS

Number of shares at 31 December	2024		2023	
	Number of own shares	Total number of shares including shares of related parties	Number of own shares	Total number of shares including shares of related parties
Dr Martin Folini	1,500	1,500	500	500
Mirjana Blume	100	100	–	–

Dr Thomas Moser, member of the Board of Directors, is an Alternate Member of the Governing Board of the Swiss National Bank (SNB), which owns 653,460 shares in Orell Füssli AG.

SHARES HELD BY MEMBERS OF THE EXECUTIVE BOARD

Number of shares at 31 December	2024		2023	
	Number of own shares	Total number of shares including shares of related parties	Number of own shares	Total number of shares including shares of related parties
Daniel Link	1,408	1,408	1,008	1,008
Reto Janser	350	350	–	–
Dr Michael Kasch	494	494	494	494
Thorsten Tritschler	150	150	150	150

ACTIVITIES OF THE MEMBERS OF THE BOARD OF DIRECTORS IN OTHER COMPANIES AND ORGANISATIONS

Dr Martin Folini	<p>Listed companies: none</p> <p>Non-listed companies:</p> <ul style="list-style-type: none"> - Folini Partners GmbH, Owner - Hans Oetiker Holding, Chairman of the Board of Directors - Integra Holding, Integra Sitek AG (subsidiary of Integra Holding), Signal AG (subsidiary of Integra Holding), Seitz Holding AG; Eugen Seitz AG (subsidiary of Seitz Holding AG), Kowema AG, Stadtmühle Schenk AG (subsidiary of Kowema AG), Landqart AG, Member of the Board of Directors
Dr Luka Müller	<p>Listed companies: none</p> <p>Non-listed companies:</p> <ul style="list-style-type: none"> - Sygnum Bank AG, Co-owner and Chairman of the Board of Directors - MME Legal Tax Compliance AG, Partner - Eurospider AG, co-owner and member of the Board of Directors - Marquard Media Group AG, Kapstein Immobilien AG, Hextra AG, Chairman of the Board of Directors - Neue Familien Müller Stiftung, Chairman of the Board of Trustees
Dr Thomas Moser	<p>Listed companies:</p> <ul style="list-style-type: none"> - Swiss National Bank, Alternate Member of the Governing Board <p>Non-listed companies:</p> <ul style="list-style-type: none"> - Visiting Professor at the Faculty of Economics and Management, University of Lucerne
Mirjana Blume	<p>Listed companies:</p> <ul style="list-style-type: none"> - W.A.G. payment solutions plc, UK, Senior Independent NED <p>Non-listed companies:</p> <ul style="list-style-type: none"> - SML Solutions AG, Managing Director - IWB, Industrielle Werke Basel, Vice Chairwoman of the Board of Directors and Chairwoman of the Audit Committee - EWE, Energie und Wasser Erlenbach AG, Chairwoman of the Board of Directors - WAZ, Werke am Zürichsee AG, Member of the Board of Directors
Johannes Schaede	<p>Listed companies: none</p> <p>Non-listed companies: none</p>
Pascale Bruderer	<p>Listed companies:</p> <ul style="list-style-type: none"> - Galenica Group, Vice Chairwoman of the Board of Directors - TX Group, Member of the Board of Directors <p>Non-listed companies:</p> <ul style="list-style-type: none"> - Crossiety AG, Shareholder and Executive Member of the Board of Directors - Swiss Stablecoin AG, Founder and Chairwoman of the Board of Directors - ETH Board, Vice-President of the ETH Board

ACTIVITIES OF THE MEMBERS OF THE EXECUTIVE BOARD IN OTHER COMPANIES

Daniel Link	<p>Listed companies: none</p> <p>Non-listed companies:</p> <ul style="list-style-type: none"> - Orell Füssli Thalia AG, Vice Chairman of the Board of Directors - Procivis AG, Orell Füssli Buchhandlungs AG, Chairman of the Board of Directors
Reto Janser	<p>Listed companies: none</p> <p>Non-listed companies:</p> <ul style="list-style-type: none"> - KXO AG, Chairman of the Board of Directors - Orell Füssli Buchhandlungs AG: Member of the Board of Directors - Orell Füssli Personalvorsorgestiftung, Vice Chairman
Désirée Heutschi	<p>Listed companies: none</p> <p>Non-listed companies:</p> <ul style="list-style-type: none"> - Procivis AG, Co-CEO & Member of the Board of Directors - hep Verlag AG, Member of the Board of Directors
Thorsten Tritschler	<p>Listed companies: none</p> <p>Non-listed companies: none</p>
Dr Michael Kasch	<p>Listed companies: none</p> <p>Non-listed companies: none</p>

Report of the statutory auditor on the compensation report



Report of the statutory auditor to the General Meeting of Orell Füssli AG, Zürich

Opinion

We have audited the compensation report of Orell Füssli AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the sections marked 'audited by the external auditor' on pages 85 to 88 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the accompanying remuneration report (pages 80 to 88) complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

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Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Thomas Ebinger
Licensed audit expert
Auditor in charge

Anita Gierbl-Wuffli
Licensed audit expert

Zürich, 12 March 2025

Financial Report

1 Financial statements of the Orell Füssli Group

1.1 CONSOLIDATED INCOME STATEMENT

in CHF thousand	Notes	2024	2023
Revenues from goods and services	3.1/3.2	252,540	232,227
Other operating income	3.2	4,186	5,260
Changes in inventories of semi-finished and finished products, capitalised costs	3.2	-2,691	4,773
Operating income	3.2	254,035	242,260
Cost of materials		-93,833	-89,413
External production costs		-11,000	-12,181
Personnel expenses	3.3	-67,062	-64,980
Other operating expenses	3.4	-47,030	-45,855
Depreciation and impairment on tangible assets	4.6	-11,077	-10,401
Amortisation and impairment on intangible assets	4.7	-1,483	-1,318
Earnings before interest and taxes (EBIT)	3.1	22,550	18,112
Financial income		542	746
Financial expenses		-1,365	-446
Financial result	3.5	-823	300
Earnings before income taxes (EBT)		21,727	18,412
Income tax expenses	3.6	-4,273	-3,820
Net income for the period		17,454	14,592
Attributable to the shareholders of Orell Füssli AG		14,098	12,042
Attributable to minority interests		3,356	2,550
in CHF		2024	2023
Undiluted earnings per share	5.2	7.19	6.14
Diluted earnings per share	5.2	7.19	6.14

The disclosures on pages 96 to 122 form an integral part of the financial report.

1.2 CONSOLIDATED BALANCE SHEET

in CHF thousand	Notes	31.12.2024	31.12.2023
Assets			
Cash and cash equivalents	4.1	66,606	61,692
Marketable securities and derivative financial instruments	4.2	6	22
Receivables for goods and services	4.3	17,639	13,221
Other current receivables	4.4	15,005	8,750
Inventories	4.5	22,518	25,180
Accrued income and deferred expenses		4,563	4,135
Total current assets		126,337	113,000
Tangible assets	4.6	55,235	56,490
Intangible assets	4.7	3,664	3,012
Non-current financial assets	4.8	4,005	4,314
Deferred tax assets	4.13	1,433	1,802
Total non-current assets		64,337	65,618
Total assets		190,674	178,618
Liabilities and equity			
Payables for goods and services		6,094	5,908
Other current liabilities	4.9	19,762	15,631
Accrued expenses and deferred income	4.10	21,533	19,955
Current financial liabilities	4.11	141	76
Current provisions	4.12	528	848
Total current liabilities		48,058	42,418
Other non-current liabilities		118	118
Non-current financial liabilities	4.11	–	1,774
Non-current provisions	4.12	848	869
Deferred tax liabilities	4.13	890	1,314
Total non-current liabilities		1,856	4,075
Share capital		1,960	1,960
Capital reserves		4,949	4,115
Retained earnings		132,260	126,097
Foreign currency differences		–7,572	–8,376
Total equity before minority interests		131,597	123,796
Minority interests		9,163	8,329
Total equity		140,760	132,125
Total liabilities and equity		190,674	178,618

The disclosures on pages 96 to 122 form an integral part of the financial report.

1.3 CONSOLIDATED CASH FLOW STATEMENT

in CHF thousand	Notes	2024	2023
Net income for the period		17,454	14,592
Change in employee equity incentive plans		–	8
Depreciation and amortisation		12,525	11,293
Impairment of non-current assets		35	426
Share of loss applicable to equity method		201	724
Valuation of derivative financial instruments		617	83
Other non-cash related income and expenses		364	–244
Change in receivables for goods and services		–4,341	–2,183
Change in inventories		2,803	–1,237
Change in other current receivables		–6,252	114
Change in accrued income and deferred expenses		–414	269
Change in payables for goods and services		176	–2,006
Change in other current liabilities		3,954	133
Change in accrued expenses and deferred income		1,511	3,297
Change in provisions and deferred income tax		–389	831
Cash flow from operating activities		28,244	26,100
Purchase of tangible assets	4.6	–9,905	–11,912
Proceeds from disposals of tangible assets		18	180
Purchase of intangible assets	4.7	–1,945	–1,782
Payments to minority shareholders		–667	–1,007
Investments in financial assets		–33	–
Disposal of financial assets		–	2,138
Cash flow from investing activities		–12,532	–12,383
Repayment of interest-bearing liabilities		–78	–1,828
Dividends paid to minorities		–3,438	–5,606
Dividends paid	5.2	–7,644	–6,664
Cash flow from financing activities		–11,160	–14,098
Foreign currency differences		362	–465
Change in cash and cash equivalents		4,914	–846
Cash and cash equivalents at 1 January		61,692	62,538
Cash and cash equivalents at 31 December		66,606	61,692

The disclosures on pages 96 to 122 form an integral part of the financial report.

1.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in CHF thousand	Share capital	Capital reserves	Own shares	Retained earnings and net income	Goodwill offset with equity	Foreign currency differences	Equity before minority interests	Minority interests	Total equity
Equity at 1 January 2023	1,960	4,183	-60	170,616	-48,315	-6,192	122,192	11,512	133,704
Change in scope of consolidation	-	-	-	-	-	-	-	-75	-75
Dividends paid	-	-	-	-6,664	-	-	-6,664	-5,607	-12,271
Offsetting goodwill against equity	-	-	-	-	-1,582	-	-1,582	-51	-1,633
Employee equity incentive plans	-	-68	60	-	-	-	-8	-	-8
Currency translation effects	-	-	-	-	-	-2,184	-2,184	-	-2,184
Net income for the period	-	-	-	12,042	-	-	12,042	2,550	14,592
Total equity at 31 December 2023	1,960	4,115	-	175,994	-49,897	-8,376	123,796	8,329	132,125
Equity at 1 January 2024	1,960	4,115	-	175,994	-49,897	-8,376	123,796	8,329	132,125
Change in scope of consolidation	-	-	-	-	-	-	-	85	85
Dividends paid	-	-	-	-7,644	-	-	-7,644	-3,438	-11,082
Offsetting goodwill against equity	-	-	-	14	-305	-	-291	30	-261
Conversion of loan into equity	-	834	-	-	-	-	834	801	1,635
Currency translation effects	-	-	-	-	-	804	804	-	804
Net income for the period	-	-	-	14,098	-	-	14,098	3,356	17,454
Total equity at 31 December 2024	1,960	4,949	-	182,462	-50,202	-7,572	131,597	9,163	140,760

The share capital as at 31 December 2024 and 31 December 2023 consisted of 1,960,000 registered shares with a par value of CHF 1.00 each.

The amount of accumulated non-distributable reserves is CHF 4,263k (2023: CHF 4,263k).

The disclosures on pages 96 to 122 form an integral part of the financial report.

Notes to the consolidated financial statements

2 General information

2.1 Basis of accounting

The consolidated financial statements have been prepared in conformity with the existing Swiss GAAP FER standards in their entirety as well as the provisions of the Listing Rules of the Swiss stock exchange, SIX Swiss Exchange, and the Swiss law on companies limited by shares ("company law").

The consolidated financial statements apply the principle of historical (acquisition) cost and they are prepared under the assumption that the organisation is a going concern.

The new Swiss GAAP FER 28 "Government grants" came into force on 1 January 2024. The standard primarily leads to additional disclosures. In accordance with the Swiss GAAP FER framework, paragraph 30, the previous year's figures have been adjusted.

The revised Swiss GAAP FER 30 "Consolidated Financial Statements" also came into force on 1 January 2024. The application of the standard has no material impact on the consolidated financial statements. In accordance with the Swiss GAAP FER framework, paragraph 30, the previous year's figures have been adjusted.

2.2 Key events in the reporting period

Procivis strengthened its presence in Europe by establishing Procivis GmbH in Vienna, Austria, in August 2024.

Orell Füssli AG increased its stake in Procivis AG by a further 6.3% in September 2024. As a result, Orell Füssli AG now holds 92.5% of the company's capital.

The non-interest-bearing, non-repayable loan to a related party in the amount of CHF 1,635k was converted into equity in the year under review.

3 Performance

3.1 Segment reporting

The business activities of the Orell Füssli Group largely comprise three segments: Security Printing, Industrial Systems and Book Retailing. The activities of the smaller businesses are summarised under "Other business areas". The activities of Group functions that are not directly attributable to the core business are not assigned to the segments.

The activities of the segments differ significantly in terms of markets, customers and, accordingly, opportunities and risks.

The segmentation of the business activities presented below forms the basis for regular internal segment reporting. The segments provide information on sales from goods and services as well as on the operating result (EBIT).

Orell Füssli Group

Security Printing	Industrial Systems	Book Retailing	Other business areas	Not assigned
Orell Füssli AG (OFS)	Zeiser GmbH Zeiser Inc. Zeiser Ltd. Zeiser SRL	Orell Füssli Buchhandlungs AG Orell Füssli Thalia AG Delivros Orell Füssli AG Lehmanns Media AG	Orell Füssli AG, Verlage (OFV) hep Verlag AG Procivis AG Procivis GmbH	Orell Füssli AG, Group functions (OFC)

Security Printing

Production and marketing of banknotes, security documents, identity cards and other documents with high security requirements as well as other services directly related to security printing solutions. These include consulting services or contracts for the development of designs or security elements. This segment generates sales from production orders, which are calculated using the percentage-of-completion method (PoC)

Industrial Systems

Development, production, installation, sales and distribution and after sales service of equipment for the serialisation of banknotes and security documents. Implementation of control and inspection systems as well as software solutions for tracking security documents in the production process.

Book Retailing

Sales of books and similar products through outlets in German-speaking Switzerland and an online shop. In addition, a proprietary e-reader device is sold. In particular, this segment includes the 50% of the income statement, balance sheet and cash-flow items of the Orell Füssli Thalia AG joint venture.

Other business areas

This segment primarily relates to the Group's publishing business. In addition, it includes the digital identities business segment (Procivis).

Not assigned

Infrastructure services as well as the costs and revenues of the central group functions are not assigned, unless they can be directly allocated to an individual segment. Further, consolidation effects arising from inter-segment revenue in this category are eliminated.

SEGMENT RESULTS 2024

in CHF thousand	Security Printing	Industrial systems	Book Retailing	Other business areas	Total segments	Not assigned	Total Group
Revenues from segment sales	86,432	24,688	124,293	17,127	252,540	–	252,540
Intersegment sales	–	160	–	194	354	–354	–
Revenues from goods and services	86,432	24,848	124,293	17,321	252,894	–354	252,540
Earnings before interest and taxes (EBIT)	12,887	3,522	9,265	–891	24,783	–2,233	22,550

SEGMENT RESULTS 2023

in CHF thousand	Security Printing	Industrial systems	Book Retailing	Other business areas	Total segments	Not assigned	Total Group
Revenues from segment sales	77,152	21,344	117,480	16,251	232,227	–	232,227
Intersegment sales	–	245	–	210	455	–455	–
Revenues from goods and services	77,152	21,589	117,480	16,461	232,682	–455	232,227
Earnings before interest and taxes (EBIT)	10,587	3,553	7,950	–902	21,188	–3,076	18,112

3.2 Operating income

The operating income comprises the following:

OPERATING INCOME

in CHF thousand	2024	2023
Revenues from goods and services		
Sales of goods and products	250,126	230,665
Revenue from services rendered	1,156	566
Revenue from license fees	1,258	996
Total revenues from goods and services	252,540	232,227
Other operating income		
Rental income from operating leases	554	449
Gain from sales of non-current assets	3	180
Other income	3,629	4,631
Total other operating income	4,186	5,260
Changes in inventories of semi-finished and finished products, capitalised costs		
Changes in inventories of semi-finished and finished products	–3,704	1,806
Capitalised costs	1,013	2,967
Total changes in inventories of semi-finished and finished products, capitalised costs	–2,691	4,773
Total operating income	254,035	242,260

In the 2024 financial year, net sales of goods and products include revenue from production orders calculated using the PoC method in the amount of CHF 71,417k (2023: CHF 59,271k)

Other operating income includes income from the reversal of accruals for expired vouchers, commissions and subsidies from suppliers. This item also includes government grants totalling CHF 630k (2023: CHF 481k), which have been collected entirely in the current financial year. These are essentially research allowances granted to Zeiser GmbH.

Own work capitalised relates primarily to equipment manufactured by Zeiser GmbH itself and sold to Orell Füssli AG.

Revenue from goods and services is allocated to the following regions:

REVENUE FROM GOODS AND SERVICES BY REGION

in CHF thousand	2024	2023
Switzerland	185,307	184,938
Germany	4,176	3,471
The rest of Europe and Africa	33,326	16,675
North and South America	13,374	14,178
Asia and Oceania	16,357	12,965
Total revenues from goods and services by region	252,540	232,227

Revenue is allocated based on the country in which the customer's branch is located. This usually corresponds to the delivery location.

The Security Printing and Industrial Systems segments market their offerings worldwide and do not focus on a specific geographical market. By contrast, the Book Retailing and "Other business activities" segments focus mainly on the domestic market in Switzerland and the neighbouring countries.

Accounting policies

Sales of goods and services resulting from the sale of trading goods, manufactured products and printed products are recognised after their delivery net of value-added tax and any rebates.

Sales from production orders (see note 4.4) are recorded under certain conditions using the percentage-of-completion method (PoC). As a result, sales are recorded as a portion of total sales for the reporting period.

Revenue from services rendered and objects leased over a certain period and which are invoiced to clients periodically is recorded in the period in which the service is rendered or the right of use is exercised. Revenue from the processing of transaction-related services is recorded at the time the service is rendered in full.

Government grants are recognised in accordance with Swiss GAAP FER 28 when there is reasonable assurance that the entity complies with any conditions attached to the grant and the value can be estimated reliably. These items are recognized in the income statement in the other operating income.

3.3 Personnel expenses

The personnel expenses are composed as follows:

PERSONNEL EXPENSES

in CHF thousand	Notes	2024	2023
Wages and salaries		56,001	54,090
Social security costs		5,049	4,592
Pension costs	6.1	4,086	4,052
Other personnel expenses		1,926	2,246
Total personnel expenses		67,062	64,980

Employee equity incentive plans

The compensation model for the Executive Board, which came into force on 1 January 2022, provides for one third of the variable component of compensation to be allocated as entitlements to shares in Orell Füssli AG. The variable component of the Executive Board's compensation is based on the bonus and LTI regulations (long-term incentive) as approved by the Board of Directors.

All members of the Executive Board participate in the plan. The allocated share entitlements are subject to a vesting period of three years from the date they are allocated. At the end of the vesting period, the participants in the plan can decide either to convert the entitlements into shares or to request a cash payment. If the employee leaves the firm before the end of the vesting period, any entitlement to employee shares is usually extinguished.

For the 2024 financial year, 3,612 share entitlements were allocated (2023: 3,849). In 2023, the expenditure recognised in staff costs for the expired share participation programme amounted to CHF 88k.

Accounting policies

The share entitlements are valued as at the date they are allocated and thereafter annually as at the balance sheet date. The valuation is made on the basis of the option value and taking into account the likelihood that the employee remains with the company until the end of the vesting period. The corresponding personnel expenses are recorded under accrued expenses and taken to profit or loss for the period. Changes in the estimates of employees granted entitlements remaining at the company are included, in aggregate form, in the calculation of the expenditure to be recorded.

3.4 Other operating expenses

OTHER OPERATING EXPENSES

in CHF thousand	Notes	2024	2023
Marketing and distribution expenses		14,702	14,714
Operating lease expenses	4.6	9,801	9,288
Repairs and maintenance		3,622	3,124
Administration expenses		5,553	5,661
Losses on bad debts		438	847
Impairment of participations and loans		–	340
Share of loss applicable to equity method		201	724
Energy		2,677	1,898
IT		4,190	3,771
Other operating expenses		5,846	5,488
Total other operating expenses		47,030	45,855

3.5 Financial result

FINANCIAL RESULT

in CHF thousand at 31 December	Expenses	Income	Balance 2024	Expenses	Income	Balance 2023
Interest result						
Interest expenses and income	-104	344	240	-49	445	396
Finance Leasing	-7	-	-7	-7	-	-7
Total interest result	-111	344	233	-56	445	389
Other financial income and expense						
Foreign exchange result	-456	191	-265	-232	285	53
Valuation effect from open hedging transactions	-602	-	-602	-	16	16
Bank charges and other financial results	-196	7	-189	-158	-	-158
Other financial results	-1,254	198	-1,056	-390	301	-89
Total financial result	-1,365	542	-823	-446	746	300

3.6 Income taxes

INCOME TAXES

in CHF thousand at 31 December	2024	2023
Current income tax	4,312	3,501
Deferred income tax	-39	319
Total income tax expenses	4,273	3,820

The income tax expense on the Group's earnings before tax in the income statement differs from the theoretical amount which would result from applying the weighted-average interest rate of the Group to the Group's earnings before tax. The calculation is presented in the table below:

CALCULATION OF INCOME TAX

in CHF thousand at 31 December	2024	2023
Earnings before income taxes (EBT)	21,727	18,412
Weighted average group tax rate	20.9%	21.8%
Expected income tax	4,547	4,010
Tax-exempt earnings	-146	-811
Effect of tax loss carry-forwards not capitalised	538	756
Capitalisation and use of previously unrecognised loss carry-forwards	-697	-401
Tax effects relating to other periods and other tax effects	31	266
Effective income tax expense	4,273	3,820

Accounting policies

Income taxes include both current and deferred taxes. Income taxes are calculated based on the applicable tax rate of the individual countries and expensed in the period in which the corresponding gain occurs. Tax effects resulting from tax losses carried forward are recognised as deferred tax assets if future taxable profits are likely against which the tax losses could be offset.

Management assumptions and estimates

The estimate of current tax liabilities is subject to the interpretation of the tax laws in the relevant countries. The adequacy of the estimates is assessed in the context of the final assessment or audits by the tax authorities. This may result in significant adjustments in tax expense. In addition, the assessment of the ability to capitalise of tax loss carry-forwards requires a critical assessment of the likely future taxable profits against which they may be offset, which depends on multiple factors and developments. Management works closely with local tax specialists in calculating and assessing tax liabilities.

4 Operating assets and liabilities

4.1 Cash and cash equivalents

Available liquidity as of the balance sheet date is as follows:

LIQUIDITY RESERVES

in CHF thousand at 31 December	Notes	2024	2023
Cash in bank accounts and in hand		66,606	46,692
Current bank deposits		–	15,000
Advance payments PoC/from customers	4.9	– 15,845	– 11,566
Other financial assets/liabilities	4.11	– 141	– 1,850
Cash and cash equivalents net		50,620	48,276
Thereof companies with minorities		12,719	16,972
Freely available cash and cash equivalents		37,901	31,304

Accounting policies

Cash and cash equivalents include petty cash, cash in bank and postal giro accounts and short-term fixed deposits with a contractual maturity period of three months or less.

4.2 Securities and derivatives

SECURITIES AND DERIVATIVES

in CHF thousand at 31 December	2024	2023
Marketable securities & bank deposits	6	6
Derivative financial instruments	–	16
Total marketable securities and derivative financial instruments	6	22

As at 31 December 2024, foreign currencies with a total value of CHF 36,070k (2023: CHF 513k) are hedged. The resulting recognised value of the derivatives is CHF -602k (2023: CHF 16k).

Accounting policies

Securities are initially valued at cost, including transaction costs. All purchases and sales are recognised at the daily market price. Subsequently, securities are valued at the balance sheet date, and the change in price is recognised in the income statement in the financial result as well as in the corresponding item either of current assets or other current liabilities (see section 4.9) on the balance sheet.

Derivatives are valued as at the consolidated balance sheet date (see section 7.2). The Orell Füssli Group does not buy or sell any derivative financial instruments without underlying transactions.

4.3 Receivables for goods and services

RECEIVABLES FOR GOODS AND SERVICES

in CHF thousand at 31 December	2024	2023
Receivables for goods and services gross	20,201	15,292
./. provisions for doubtful receivable for goods and services	-2,562	-2,071
Total receivables for goods and services	17,639	13,221

The valuation allowances on doubtful receivables in the current and previous year are mainly due to a foreseeable payment default on the part a customer of Zeiser GmbH.

There is no forfeiting on the receivables portfolio.

Accounting policies

Receivables for goods and services are recognised at nominal value less impairment. Due to the different customer structure and underlying transactions, the valuation of doubtful receivables by the Security Printing and Industrial Systems segments is based on an individual assessment. The other segments apply a flat-rate allowance based on actual experience.

Any loss due to a change in the provision for doubtful accounts receivable is recognised in the income statement under operating expense, while the reversal of any such provision accordingly results in a decrease in operating expense.

Management assumptions and estimates

The recoverability of receivables for goods and services is assessed on the basis of compliance with payment deadlines. If significant payments are overdue, management contacts the customer and assesses its ability to meet its obligations. The assessment of the assumptions regarding the status of the customer as a going concern requires that management evaluates both the customer's willingness to pay as well as the customer's business model. This procedure is subject to high estimation uncertainty.

4.4 Other current receivables

OTHER CURRENT RECEIVABLES

in CHF thousand at 31 December	2024	2023
Production orders gross	16,602	8,750
./. deductible customer advances received	-6,473	-3,969
Total construction contracts net	10,129	4,781
Advance payments to suppliers	3,331	2,715
Other current receivables	1,545	1,254
Total other current receivables	15,005	8,750

Accounting policies

In principle, the policies outlined under 4.3 Receivables of goods and services also apply to other current receivables.

Long-term production orders with a time frame of at least three months and representing a significant volume are recorded using the percentage-of-completion (PoC) method. The PoC method measures the stage of completion of the contractual activity in percentage terms in order to determine the share of the overall revenue for the reporting period and to recognise this share as a receivable. The degree of completion is determined based on the completed quantity of a production lot and/or on the portion of the production stages carried out. Expected losses on production orders are recognised immediately in the income statement as an expense.

Prepayments received for production orders are recognised in the balance sheet only. Advance payments are offset against the accrued costs of the production order to which the payments relate.

For the other production orders, which do not satisfy the PoC criteria, the direct production costs, including material and production costs as well as production overheads, are recorded on an accrual basis.

4.5 Inventories

INVENTORIES

in CHF thousand at 31 December	2024	2023
Raw materials, auxiliary materials and supplies	7,670	7,546
Semi-finished and finished products	3,677	7,383
Trading goods	14,522	13,182
Work in progress	469	272
Total inventories gross	26,338	28,383
./. allowance on inventories	-3,820	-3,203
Total inventories net	22,518	25,180

Accounting policies

Inventories include raw materials, auxiliary materials and supplies, semi-finished products, finished products, work in progress and trading goods. Inventories are valued using the lower of cost or market principle (the lower of the acquisition or production costs or the net realisable value). The acquisition or production costs are determined based on the weighted-average acquisition costs. The production costs of semi-finished and finished products comprise the directly attributable production costs, including materials and manufacturing costs, as well as overhead costs. The net realisable value is the estimated selling price in the ordinary course of business less the production and distribution costs until the sale is realised. In production, materials purchased for a specific order but not consumed are immediately impaired. Coverage analyses are carried out to evaluate inventories. In the Book Retailing segment, the value of the goods as at the date of acquisition is used. Discounts are treated as reductions in the acquisition cost.

4.6 Tangible assets

Tangible assets comprise machinery, technical installations, movable property, leasehold improvements, vehicles, IT systems (hardware), property, buildings, investment property and fixed equipment.

MOVEMENTS IN TANGIBLE ASSETS 2024

in CHF thousand	Developed property and buildings	Machinery and equipment	Other tangible assets	Assets under construction	Total
Cost at 1 January	56,285	108,387	21,861	5,371	191,904
Additions	2,431	4,180	1,559	1,735	9,905
Disposals	-475	-907	-950	-	-2,332
Reclassification	601	4,128	465	-5,385	-191
Foreign currency differences	108	67	49	2	226
Cost at 31 December	58,950	115,855	22,984	1,723	199,512
Accumulated depreciation and impairment at 1 January	-36,958	-82,918	-15,538	-	-135,414
Depreciation on disposals	475	907	935	-	2,317
Depreciation	-2,585	-6,500	-1,957	-	-11,042
Impairment	-	-22	-13	-	-35
Foreign currency differences	-19	-51	-33	-	-103
Accumulated depreciation and impairment at 31 December	-39,087	-88,584	-16,606	-	-144,277
Net carrying amount at 1 January	19,327	25,469	6,323	5,371	56,490
Net carrying amount at 31 December	19,863	27,271	6,378	1,723	55,235
Net carrying amount of tangible assets under finance lease	-	141	-	-	141

MOVEMENTS IN TANGIBLE ASSETS 2023

in CHF thousand	Developed property and buildings	Machinery and equipment	Other tangible assets	Assets under construction	Total
Cost at 1 January	55,970	122,201	20,547	898	199,616
Additions	1,363	3,256	2,253	5,040	11,912
Disposals	-533	-17,219	-675	-	-18,427
Reclassification	68	525	-	-559	34
Foreign currency differences	-583	-376	-264	-8	-1,231
Cost at 31 December	56,285	108,387	21,861	5,371	191,904
Accumulated depreciation and impairment at 1 January	-34,987	-94,492	-14,489	-	-143,968
Depreciation on disposals	533	17,214	625	-	18,372
Depreciation	-2,470	-5,931	-1,760	-	-10,161
Impairment	-147	-3	-90	-	-240
Foreign currency differences	113	294	176	-	583
Accumulated depreciation and impairment at 31 December	-36,958	-82,918	-15,538	-	-135,414
Net carrying amount at 1 January	20,983	27,709	6,058	898	55,648
Net carrying amount at 31 December	19,327	25,469	6,323	5,371	56,490
Net carrying amount of tangible assets under finance lease	-	215	-	-	215

The remaining tangible fixed assets stated at acquisition cost are as follows:

ACQUISITION COSTS OF OTHER TANGIBLE ASSETS

in CHF thousand at 31 December	2024	2023
Furniture and fixtures	16,412	14,786
IT systems (hardware)	6,245	6,731
Vehicle	327	344
Total cost at other tangible assets	22,984	21,861

As of 31 December 2024, commitments for the purchase of tangible assets amount to CHF 751k (2023: CHF 1,552k).

The Orell Füssli Group has no bank borrowings secured by land and buildings. In the income statement, operating lease expenses for leased properties were recorded in the amount of CHF 9,484k (2023: CHF 8,970k) and for other leased tangible assets in the amount of CHF 317k (2023: CHF 317k).

Accounting policies

Additions to tangible assets are recognised at acquisition or production cost. The acquisition and production costs include the acquisition costs of tangible assets as well as the directly attributable costs to prepare the assets for their intended use.

Tangible assets are depreciated using the straight-line method over the period of their operating lives. This also applies to tangible assets generated internally. Land is not depreciated. The period of depreciation may be adjusted if there is a business need. Depreciation begins once the tangible asset is ready for use. The operating life of each asset category is as follows:

OPERATING LIFE OF EACH ASSET CATEGORY

	Estimated operating life in years
Buildings	30–40
Fixed facilities and renovations	10–20
Machinery and technical installations	5–10
Movable properties, leasehold improvements, vehicles	5–8
IT systems (hardware)	3–5

Assets under construction are those assets that are not yet ready for use or not yet in operation. They are valued at accumulated acquisition or production costs and are not depreciated.

Investments in the replacement and improvement of tangible assets are recognised in the balance sheet when significant economic benefits are likely.

Expenditures for the repair and maintenance of buildings and equipment are recorded as expenses in the income statement when they occur.

Assets held under finance leases are carried at the lower of the fair value of the asset or the present value of the minimum lease payments. The corresponding finance lease obligations are recorded under liabilities.

Impairment

Non-current assets are tested for impairment if events or changes of circumstances indicate that the value of the individual asset may be impaired. If such indications exist, the recoverable amount is determined. An impairment loss results if the carrying amount exceeds the recoverable amount. The recoverable amount is the higher value of either the fair value less selling costs or the present value of expected future cash flows. The impairment is recorded in the income statement. For the purpose of impairment testing, assets are grouped at the lowest level for which separate cash flows can be identified.

Management assumptions and estimates

Important assumptions for estimating the value of assets include sales and margin growth assumptions as well as the discount rates used. The assumptions made are based on publicly available data as well as internal documents (e. g. budgets) and management's analyses and estimates.

4.7 Intangible assets

Intangible assets comprise rights, licenses and software.

MOVEMENTS IN INTANGIBLE ASSETS 2024

in CHF thousand	Software and develop-ments	Rights and licenses	Other intangible assets	Total
Cost at 1 January	12,445	1,385	621	14,451
Additions	1,560	5	380	1,945
Disposals	-1,398	-	-	-1,398
Reclassification	320	-	-129	191
Foreign currency differences	24	-	6	30
Cost at 31 December	12,951	1,390	878	15,219
Accumulated amortisation and impairment at 1 January	-9,704	-1,241	-494	-11,439
Amortisation on disposals	1,398	-	-	1,398
Amortisation	-1,410	-73	-	-1,483
Impairment	-	-	-	-
Foreign currency differences	-26	-	-5	-31
Accumulated amortisation and impairment at 31 December	-9,742	-1,314	-499	-11,555
Net carrying amount at 1 January	2,741	144	127	3,012
Net carrying amount at 31 December	3,209	76	379	3,664

MOVEMENTS IN INTANGIBLE ASSETS 2023

in CHF thousand	Software and develop-ments	Rights and licenses	Other intangible assets	Total
Cost at 1 January	11,825	1,370	662	13,857
Additions	1,649	15	118	1,782
Disposals	-975	-	-	-975
Reclassification	93	-	-127	-34
Foreign currency differences	-147	-	-32	-179
Cost at 31 December	12,445	1,385	621	14,451
Accumulated amortisation and impairment at 1 January	-9,574	-1,168	-526	-11,268
Amortisation on disposals	975	-	-	975
Amortisation	-1,059	-73	-	-1,132
Impairment	-186	-	-	-186
Foreign currency differences	140	-	32	172
Accumulated amortisation and impairment at 31 December	-9,704	-1,241	-494	-11,439
Net carrying amount at 1 January	2,251	202	136	2,589
Net carrying amount at 31 December	2,741	144	127	3,012

Software and development item consists solely of bought-in products.

Accounting policies

Intangible assets valued at acquisition or production cost less accumulated amortisation and impairment. The acquisition costs of rights, licenses and software comprise the purchase price and directly attributable costs for their installation. Rights, licenses and software are amortised using the straight-line method over the period of their useful lives.

USEFUL LIFE OF EACH ASSET CATEGORY

	Estimated useful life in years
Software and developments	3–5
Rights and licenses	3–5
Other intangible assets	0–5

4.8 Financial assets**FINANCIAL ASSETS**

in CHF thousand at 31 December	Notes	2024	2023
Participations in associated companies		–	201
Long-term securities		140	107
Pension fund assets	6.1	3,766	3,907
Other non-current financial assets		99	99
Total financial assets		4,005	4,314

The investment in Evrlearn AG (in liquidation) was written off in full.

Accounting policies

Financial assets are valued at nominal value less impairment.

4.9 Other current liabilities**OTHER CURRENT LIABILITIES**

in CHF thousand at 31 December	2024	2023
Advance payments from customers on production orders gross	12,438	7,057
./ . deductible customer advances received	–6,473	–3,969
Prepayments from customers on production orders net	5,965	3,088
Advance payments from customers	9,880	8,478
Liabilities to employees	469	380
VAT and similar taxes payable	797	899
Dividends payable	4	4
Derivative financial instruments	602	–
Other current payables	2,045	2,782
Total other current payables	19,762	15,631

Shareholders' claims to dividend payments are recorded as a liability in the period in which the dividends are approved by the company's shareholders.

Accounting policies

Trade accounts payable and liabilities are recognised at nominal value.

4.10 Accrued expenses and deferred income

ACCRUED EXPENSES AND DEFERRED INCOME

in CHF thousand at 31 December	2024	2023
Accrued expenses and deferred income for cost of materials	6,223	5,930
Accrued expenses and deferred income for personnel expenditure	4,867	5,361
Accrued expenses and deferred income for current income tax liabilities	4,738	3,206
Other accrued expenses and deferred income	5,705	5,458
Total accrued expenses and deferred income	21,533	19,955

4.11 Financial liabilities

Financial liabilities comprise borrowings, finance lease liabilities and other financial liabilities.

FINANCIAL LIABILITIES

in CHF thousand at 31 December	From borrowings	Liabilities from finance lease	Total 2024	From borrowings	Liabilities from finance lease	Total 2023
Current financial liabilities	–	141	141	–	76	76
Non-current financial liabilities	–	–	–	1,635	139	1,774
Total financial liabilities	–	141	141	1,635	215	1,850

The non-current financial liabilities from external financing in the amount of CHF 1,635k in 2023 relate to a non-interest-bearing, non-repayable loan to a related party, which was converted into equity in the 2024 financial year.

Accounting policies

Financial liabilities are valued at their nominal value. Financial liabilities are classified as current if they will mature in whole or in part within the following twelve months. If a contractual agreement to prolong the maturity of a loan exists as of the balance sheet date, the new duration will be taken into account for its classification.

The leasing of assets involving the transfer of essentially all the risk and rewards incidental to ownership to the lessee is designated as a finance lease. Finance leases are recognised initially in the balance sheet at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The leased asset is depreciated over its useful life or the lease term, whichever is shorter. The corresponding financial obligations are recorded as liabilities.

4.12 Provisions

MOVEMENTS IN PROVISIONS 2024

in CHF thousand	Personnel	Warranty provisions	Other provisions	Total
At 1 January	795	80	842	1,717
Additions (charged to income statement)	406	13	592	1,011
Reversals (charged to income statement)	–	–	–65	–65
Utilisation during the year	–188	–	–1,108	–1,296
Foreign currency differences	–	1	8	9
At 31 December	1,013	94	269	1,376
Provisions maturing within 12 months	165	94	269	528
Provisions maturing over 1 year	848	–	–	848

MOVEMENTS IN PROVISIONS 2023

in CHF thousand	Personnel	Warranty provisions	Other provisions	Total
At 1 January	550	88	597	1,235
Additions (charged to income statement)	509	–	578	1,087
Reversals (charged to income statement)	–92	–3	–27	–122
Utilisation during the year	–172	–	–281	–453
Foreign currency differences	–	–5	–25	–30
At 31 December	795	80	842	1,717
Provisions maturing within 12 months	171	80	597	848
Provisions maturing over 1 year	624	–	245	869

Provisions are included for personnel, restructuring, warranties, commissions, unfinished projects and for the valuation of orders at net realisable value.

Personnel provisions include entitlements to long-service awards and share entitlements arising from the employee participation plans.

Warranty provisions are created in connection with the services rendered and they are based on local legislation or contractual agreements. The provisions are calculated based on experience.

Other provisions mainly include expected remissions in the publishing business. The provision formed in the previous year for a licence at Zeiser GmbH that cannot be recharged, was used in the current financial year.

Accounting policies

Provisions are recognised if the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that a cash outflow will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. No provisions are recorded for future operating losses.

If the effect of the time value of money is significant, provisions are determined by discounting future cash flows

Management assumptions and estimates

If contractual obligations exist or warranty claims or other obligations are expected, which affect the reporting period, then corresponding provisions are created. The provisions are based on experience or the reasoned expectations of management.

4.13 Deferred income taxes

Deferred income tax assets and liabilities were as follows:

COMPOSITION OF DEFERRED INCOME TAXES

in CHF thousand at 31 December	Deferred tax assets	Deferred tax liabilities	Balance 2024	Deferred tax assets	Deferred tax liabilities	Balance 2023
At 1 January	1,802	-1,314	488	1,729	-831	898
Change recognized in profit or loss	-384	424	40	164	-483	-319
Foreign currency differences	15	-	15	-91	-	-91
At 31 December	1,433	-890	543	1,802	-1,314	488

Deferred taxes are calculated at the effective applicable rate for each company.

Deferred taxes include the following capitalised losses carried forward:

DEFERRED INCOME TAX ASSETS ON LOSS CARRY-FORWARDS

in CHF thousand at 31 December	2024	2023
Deferred income tax assets on loss carry-forwards gross	8,752	8,970
./. allowance on inventories	-7,490	-7,168
Deferred income tax assets on loss carry-forwards net	1,262	1,802

Deferred income tax assets arising from tax loss carry-forwards are recognised in as far as the related tax benefits are likely to be realised through future taxable profits. Deferred tax assets on loss carry-forwards correspond to accumulated taxable losses in the amount of CHF 29,042k (2023: CHF 27,074k). The loss carry-forwards mainly arise from Zeiser GmbH.

Accounting policies

Deferred tax assets and liabilities are recognised for temporary differences between the values of assets and liabilities disclosed in the consolidated balance sheet and their corresponding tax accounting value in the local balance sheet provided they result in future taxable expenditures or profits, respectively. Further, deferred tax assets are recognised only if future taxable profits are likely against which they may be offset.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in the period when the asset will be realised or the liability will be settled.

Current tax assets and liabilities can be offset against each other provided they concern the same taxable unit, the same tax authority and there is a legally enforceable right to offset them.

5 Capital and financial risk management

5.1 Liquidity

LINES OF CREDIT

in CHF thousand at 31 December	2024	2023
Available lines of credit	61,401	59,430
./. Secured guarantees by banks	– 17,932	– 1,510
Total unused lines of credit	43,469	57,920

Due to a major long-term order, the guarantees have increased considerably.

As well as the lines of credit, sufficient funds will continue to be available to conduct ordinary business activities in the future.

If additional liquidity is required for significant investments in non-current assets and expenditure on future acquisitions, an adjustment to the lines of credit may be considered. However, a mortgage could also be taken out on the unencumbered property of the Group.

5.2 Equity

Equity

Share capital is classified as equity. Transactions with minority interests are treated as transactions with the company's own shares. Therefore, payments for purchases of minority interests as well as any consideration received from the sales of minority interests are recorded in equity. Any differences between the consideration received/paid and the minority interests as presented in the balance sheet are recorded in equity.

Own shares

Purchases of the company's own shares are deducted from equity. The sale or purchase of own shares is not recognised in the income statement. If resold at a later date, any increase or decrease in value is recorded as an addition or a reduction to the capital reserves.

As at 31 December 2024 and 31 December 2023, Orell Füssli AG does not hold any of its own shares. No treasury shares were purchased or sold during the reporting period or in the previous year.

Earnings per share

The earnings per share is calculated on the basis of the portion of the Group's results allocated to Orell Füssli AG's shareholders, divided by the weighted average number of outstanding shares during the reporting period. The diluted earnings per share includes all of the shares that could be issued as part of the former equity participation plan.

EARNINGS PER SHARE

At 31 December	2024	2023
Net income for the period in CHF thousand	14,098	12,042
Weighted average numbers of shares in issue (in thousands)	1,960	1,960
Undiluted earnings per share in CHF	7.19	6.14
Diluted earnings per share in CHF	7.19	6.14

Dividend per share

In the current financial year, a dividend for the 2023 financial year in the amount of CHF 7,644k (CHF 3.90 per share) was paid out.

At the ordinary Annual General Meeting held on 13 May 2025, a dividend of CHF 8,624k (CHF 4.40 per share) will be proposed for the financial year 2024, which has not yet been recorded as a liability in the consolidated financial statements.

5.3 Goodwill from acquisitions

The goodwill arising from acquisitions is offset against the group shareholders' equity as of the date of acquisition. A theoretical capitalisation of the goodwill would have the following impact on the annual financial statements:

THEORETICAL STATEMENT OF GOODWILL

in CHF thousand at 31 December	2024	2023
Cost at 1 January	22,687	21,052
Additions from change in minority interests	755	931
Change revaluation earn-out payments	-493	704
Derecognition of fully amortized goodwill items	-121	-
Cost at 31 December	22,828	22,687
Accumulated amortisation and impairment at 1 January	-10,277	-6,196
Amortisation and impairment	-4,529	-4,081
Derecognition of fully amortized goodwill items	121	-
Accumulated amortisation and impairment at 31 December	-14,685	-10,277
Theoretical net book value at 1 January	12,410	14,856
Theoretical net book value at 31 December	8,143	12,410

A theoretical straight-line amortisation period of five years is applied.

The change in theoretical goodwill results from the increase in the shareholding in Procivis AG and from the revaluation of the earn-out payments for the remaining purchase price of Inspectron Inc. and Lehmanns Media AG.

Following the amortisation of the full theoretical amount, goodwill will no longer be listed in a theoretical statement. In total, equity includes CHF 50,202k (2023: CHF 49,897k) of offset goodwill in retained earnings.

THEORETICAL IMPACT ON NET INCOME FOR THE PERIOD

in CHF thousand	2024	2023
Earnings before interest and taxes (EBIT) according to consolidated income statement	22,550	18,112
Goodwill amortisation	-4,529	-4,081
Theoretical earnings before interest and taxes (EBIT) including goodwill amortisation	18,021	14,031
Net income for the period after minority interests	14,098	12,042
Goodwill amortisation	-4,395	-3,945
Net income for the period after minority interests including goodwill amortisation	9,703	8,097

THEORETICAL IMPACT ON EQUITY

in CHF thousand at 31 December	2024	2023
Equity before minority interests according to the consolidated balance sheet	131,597	123,796
Theoretical capitalisation of goodwill (net book value)	8,143	12,410
Theoretical equity before minority interests including goodwill (net book value)	139,740	136,206

Accounting policies

Goodwill represents the excess of the purchase price over the fair value on the date of acquisition of the identifiable net assets of a company acquired by the Orell Füssli Group. The goodwill arising from acquisitions is offset against the Group shareholders' equity as of the date of acquisition. The impact of theoretical capitalisation and amortisation of goodwill is disclosed in the notes to the consolidated financial statements. Negative goodwill is recognised directly in equity as a capital reserve. In the event of disposal, the goodwill offset with equity at an earlier date shall be charged at its original cost to the result of the period.

Management assumptions and estimates

If the purchase price includes components that depend on future results, these are estimated and accounted for as best as possible at the date of acquisition. The goodwill offset with equity is modified accordingly if any differences result later from the determination of the final purchase price.

For goodwill items listed in the theoretical statement of goodwill, impairment is assessed based on indicators reflecting a possible impairment. If such indicators exist, the goodwill offset with equity is tested for impairment in order to determine the recoverable amount. The business plan for the next three to six years is used as the basis for this. The forecast is based on experience and on management's current assessment of the likely economic development of the relevant market.

6 Other financial information

6.1 Employee retirement benefit schemes

EMPLOYER'S CONTRIBUTION RESERVES

in CHF thousand	Nominal value ECR	Waiver of usage	Adjustments	Balance Sheet	Additions/Reversals	Balance Sheet	Additions (charged to income statement)	Additions (charged to income statement)
	31.12.2024	2024	2024	31.12.2024	2024	31.12.2023	2024	2023
Pension schemes without funding surplus/deficit (Switzerland)	3,766	–	–	3,766	– 141	3,907	141	141

Hep Verlag AG used employer contribution reserves in the amount of CHF 141k (2023: CHF 141k) to meet obligations to pay contributions.

The Orell Füssli Foundation has used the 2020 BVG (OPA) mortality table since 2021 to calculate pension obligations. The actuarial interest rate is 1.50% (2023: 1.50%).

FINANCIAL BENEFIT/LIABILITY AND PENSION COSTS

in CHF thousand	Funding surplus/deficit according to Swiss GAAP FER 26	Economic benefit/liability Group	Economic benefit/liability Group	Translation differences with no impact on the income statement	Change to prior-year or charged to income statement	Contributions limited to the period	Pension costs in personnel expenditure	Pension costs in personnel expenditure
	31.12.2024	31.12.2024	31.12.2023	2024	2024	2024	2024	2023
Pension schemes without funding surplus/deficit (Switzerland)	–	–	–	–	–	–	3,481	3,426
Funded pension schemes (abroad)	–	–	–	–	–	–	605	626
Total	–	–	–	–	–	–	4,086	4,052

Accounting policies

Group companies' retirement benefit schemes are included in the consolidated financial statements according to the legal provisions in effect in the corresponding country. The actual financial impact of the pension schemes on the company is calculated as of the balance sheet date. Any financial benefit is carried as an asset if it is used for the company's future pension expenses. A financial commitment is carried as a liability if the requirements for the creation of a provision are met. Any freely available employer's contribution reserves are recognised as an asset.

Orell Füssli AG and Orell Füssli Thalia AG have legally independent retirement benefit schemes funded by the employer's and the employees' contributions. The financial consequences for the Group of pension fund surpluses and deficits as well as changes in any employer's contribution reserves are recorded in the income statement as personnel expenses alongside deferred contributions for the period. Any surpluses or deficits are calculated based on the pension fund's provisional annual financial statements prepared according to Swiss GAAP FER 26.

The other Swiss Group companies are affiliated to group insurance pension schemes. The foreign pension funds have either become independent or they are not significant. Pension provisions recalculated according to nationally recognised methods and changes are recorded in the income statement as personnel expenditure.

6.2 Obligations from operating lease contracts

The Orell Füssli Group rents property, machinery, plant and equipment by means of operational leases. Some lease contracts cannot be terminated early, others have an option for cancellation of usually less than one year.

The future aggregated minimum lease payments that cannot be terminated early (mainly rental contracts) are as follows:

MATURITIES OF FUTURE AGGREGATED MINIMUM LEASE PAYMENTS

in CHF thousand at 31 December	2024	2023
No later than 1 year	9,475	8,373
Later than 1 year and no later than 5 years	21,698	22,919
Later than 5 years	965	8,061
Total future aggregate minimum lease payments	32,138	39,353

Accounting policies

Leases of assets for which, essentially, the lessor effectively has and benefits from all of the risks and rewards incidental to ownership are classified as operating leases. The costs under an operating lease are recorded in the income statement.

6.3 Related party transactions

All transactions with related companies and individuals are included in the consolidated financial statements for 2024 and 2023.

RELATED PARTY TRANSACTIONS

in CHF thousand	With associated entities and joint ventures	With shareholders	With other related parties	Total 2024	With associated entities and joint ventures	With shareholders	With other related parties	Total 2023
Revenue from goods and services	194	32,774	–	32,968	129	33,749	–	33,878
Other operating income	599	–	–	599	651	–	–	651
Cost of materials	–	–	10,775	10,775	–	–	5,524	5,524
Other operating expenses	213	–	260	473	736	–	260	996

in CHF thousand at 31 December	With associated entities and joint ventures	With shareholders	With other related parties	Total 2024	With associated entities and joint ventures	With shareholders	With other related parties	Total 2023
Receivables for goods and services	16	–	–	16	26	–	–	26
Other receivables	–	–	2,134	2,134	19	–	–	19
Non-current financial assets	–	–	–	–	201	–	–	201
Payables for goods and services	1	–	298	299	–	–	–	–
Other liabilities	–	2,734	–	2,734	2	3,300	–	3,302
Financial liabilities	–	–	–	–	1,635	–	–	1,635

In the 2024 financial year as in prior years, the sale of books and publishing products to related parties and to employees at favourable rates was continued.

Except for the compensation disclosed in the compensation report (pages 80 to 88 of this annual report), there were no other transactions with members of the Board of Directors or the Executive Board in 2024 and 2023.

6.4 Contingent liabilities and other commitments not included in the balance sheet

As at 31.12.2024, the company had contingent liabilities in the amount of CHF 785k (2023: CHF 1,454k) for share purchase options relating to minority interests.

7 Other disclosures

7.1 Consolidation

Subsidiaries

Subsidiaries comprise all domestic and foreign entities directly or indirectly controlled by Orell Füssli AG, either by holding at least 50% of the voting rights or by otherwise exercising a significant influence on the business management and business policy.

Subsidiaries are consolidated as of the date on which direct or indirect control passes to Orell Füssli AG. They are deconsolidated as of the date that such control ceases. All identifiable assets and liabilities of the subsidiary are measured at fair value as of the acquisition date. The excess of acquisition cost over the newly valued net assets of the subsidiary is defined as goodwill and recognised in equity.

The impact of inter-company transactions is eliminated when preparing the consolidated financial statements.

Investments in joint ventures

Joint ventures under joint management, but not controlled by one of the parties, are consolidated on a pro rata basis.

The merger of the book retailing activities of Thalia Bücher AG and Orell Füssli Buchhandlungs AG as of 1 October 2013, resulted in the creation of Orell Füssli Thalia AG. Each parent company holds a 50% interest. The Board of Directors consists of two representatives of each parent company. 50% of the income statement and the balance sheet line items is included in the consolidated financial statements of the Orell Füssli Group. Orell Füssli AG owns 51% of Orell Füssli Buchhandlungs AG and Hugendubel Holding AG owns 49%.

Investments in associates

Investments in associates in which Orell Füssli AG is able to exercise a significant influence are accounted for using the equity method. Influence is considered significant if Orell Füssli AG directly or indirectly holds between 20% and 50% of the voting rights or if it can otherwise exercise a significant influence on the business management and business policy.

Using the equity method, investments in associates are recognised initially at cost. Acquisition costs may include goodwill. Subsequently, the carrying amount of the participation is adjusted depending on the development of Orell Füssli AG's share of the associate's equity.

Other investments

Investments of less than 20% of voting rights are recognised at the lower value of cost or market value.

7.2 Currency conversion

The Group companies keep accounts in their respective national currency. Transactions in a foreign currency are converted into the local currency using the daily exchange rate. Bank account balances in foreign currencies are valued using the Group's exchange rates. Currency conversion differences are recorded in the financial result.

The consolidated financial statements are presented in Swiss francs. To prepare the consolidated financial statements, the assets and liabilities of foreign subsidiaries are converted into Swiss francs at the market rate as of the corresponding balance sheet date. Expenses and income are converted into Swiss francs at the average exchange rate for the year. Conversion differences and foreign currency gains and losses on long-term loans with equity character are recognised in equity. In the event of any repayment, the cumulative foreign currency effects are recognised in equity. In the event of the deconsolidation of a foreign subsidiary, the associated cumulative foreign currency differences are written off at the historical acquisition cost through the income statement and reported as part of the sales profit or loss.

The Orell Füssli Group used the following currency exchange rates (market rate and annual average rate) for the 2024 and 2023 financial years:

APPLIED EXCHANGE RATES

		Market rate	Annual average rate	
	31.12.2024	31.12.2023	2024	2023
EUR at a rate of CHF	0.9401	0.9288	0.9525	0.9717
USD at a rate of CHF	0.9050	0.8415	0.8767	0.8986
GBP at a rate of CHF	1.1345	1.0711	1.1249	1.1170

7.3 Events after the balance sheet date

On 4 March 2025, the Company announced the acquisition of 100% of the shares of Verlag SKV AG with retroactive effect from 1 January 2025. The Zurich-based company generated revenues in the mid-single-digit million range in 2024.

No further events that provide additional information on the items in the consolidated financial statements or cast doubt on the assumption that the company is a going concern or that would be otherwise material occurred between the balance sheet date and 12 March 2025.

The consolidated financial statements were approved and released for publication by the Board of Directors on 12 March 2025. They are subject to approval by the Annual General Meeting.

7.4 Changes in the scope of consolidation

In the 2024 financial year

Procivis AG: In the fourth quarter of 2024, Orell Füssli AG increased its stake in Procivis AG to 92.5%. The goodwill was written off directly via equity.

izit AG: izit AG was merged into Orell Füssli AG with retroactive effect as of 1 January 2024.

Zeiser Inc.: The expected earn-out payment for the acquisition of Inspectron Inc., which was merged with Zeiser GmbH in the 2022 financial year, decreased by CHF 444k.

Delivros Orell Füssli AG: The expected earn-out payment for the acquisition of Lehmanns Media AG decreased by CHF 99k.

In the 2023 financial year

Procivis AG: In the fourth quarter of 2023, Orell Füssli AG increased its stake in Procivis AG to 86.2%. The goodwill was written off directly via equity.

Zeiser Inc.: The expected earn-out payment for the acquisition of Inspectron Inc., which was merged with Zeiser GmbH in the 2022 financial year, increased by CHF 618k.

Delivros Orell Füssli AG: The expected earn-out payment for the acquisition of Lehmanns Media AG increased by CHF 173k.

7.5 Overview of significant investments

SIGNIFICANT INVESTMENTS

	Seat	Currency	Nominal capital in thousand	% of capital held ¹⁾	
				direct	indirect ²⁾
Consolidated companies					
Orell Füssli Buchhandlungs AG	Zurich, CH	CHF	100	51	
hep Verlag AG	Bern, CH	CHF	542	100	
Procivis AG	Zurich, CH	CHF	277	93	
Procivis GmbH ³⁾	Zurich, CH	CHF	100		100
Zeiser GmbH	Emmingen, DE	EUR	869	100	
Zeiser Inc. ⁴⁾	West Caldwell, US	USD	0		100
Zeiser Ltd. ⁴⁾	Andover, GB	GBP	0		100
Zeiser SRL ^{4), 8)}	Milano, IT	EUR	100		100
Pro rata consolidated participation					
Orell Füssli Thalia AG ⁵⁾	Zurich, CH	CHF	9,500		50
Delivros Orell Füssli AG ⁶⁾	Zurich, CH	CHF	1,330		80
Lehmanns Media AG ⁷⁾	Hägendorf, CH	CHF	100		100
Equity accounted for participations					
Orell Füssli Kartographie AG	Zurich, CH	CHF	210	24	
Evrlearn AG ^{6), 8)}	Zurich, CH	CHF	190		37

1) Capital held and voting rights in % are identical

2) Capital share of the respective parent company

3) Held through Procivis AG

4) Held through Zeiser GmbH

5) Held through Orell Füssli Buchhandlungs AG

6) Held through Orell Füssli Thalia AG

7) Held through Delivros Orell Füssli AG

8) In liquidation

Report of the statutory auditor on the consolidated financial statements



Report of the statutory auditor to the General Meeting of Orell Füssli AG, Zürich

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Orell Füssli AG and its subsidiaries (the Group), which comprise the consolidated income statement for the year ended 31 December 2024, the consolidated balance sheet as at 31 December 2024, the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 92 to 122) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach



Overview

Overall group materiality: CHF 2,500k

We concluded full scope audit work at two components in two countries. Our audit scope addressed over 43% of the Group's revenues from goods and services. In addition, specific scope audit or specified procedures were performed on a further three components in two countries representing a further 50% of the Group's revenues from goods and services.

As key audit matter the following area of focus has been identified:

- Revenue recognition relating to long-term production orders of Orell Füssli AG using the percentage-of-completion (PoC) method.

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Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	CHF 2,500k
Benchmark applied	Revenues from goods and services
Rationale for the materiality benchmark applied	We chose revenues from goods and services as the benchmark because, in our view, it is a key benchmark against which the main business activities can be assessed.

Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We tailored the scope of our audit in order to cover the significant subsidiaries with a full scope audit or specified procedures. Where an audit was performed by a component auditor, we ensured that, as Group auditor, we were adequately involved in the audit in order to assess whether sufficient appropriate audit evidence was obtained from the work of the component auditor to provide a basis for our opinion. This involvement included, for example, discussing audit work during on-site meetings or holding meetings via video conferences.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Revenue recognition relating to long-term production orders of Orell Füssli AG using the percentage-of-completion (PoC) method.

Key audit matter	How our audit addressed the key audit matter
<p>As can be seen in note 3.2 of the consolidated financial statements, revenue from production orders accounted for using the percentage-of-completion (PoC) method amounted to CHF 71,417k in the 2024 financial year. This represents about 28% of revenues from goods and services.</p> <p>Long-term production orders with a timeframe of at least three months and representing a significant volume are recorded using the PoC method.</p> <p>The PoC method measures the stage of completion of the contractual activity in percentage terms in order to determine the share of the overall revenue for the reporting period and to recognise this share as a receivable. To do this, Management and the Board of Directors estimate the applicable cost rates as well as the production progress based on the finished quantity, or the production stages completed. If losses on production orders are forecasted, further estimates are necessary to assess their extent.</p> <p>Owing to the size of revenues from goods and services accounted for using the PoC method and the significant scope for judgement by Management and the Board of Directors involved in recognising revenue in the appropriate period, we consider revenue recognition in this area as a key audit matter.</p> <p>We refer to note 3.2 "Operating income" and note 4.4 "Other current receivables" in the notes to the consolidated financial statements.</p>	<p>We assessed the appropriateness of the Group's financial reporting in relation to revenue recognition relating to long-term production orders using the PoC method, including the accounting policies for the determination of the stage of completion and the cost rates used.</p> <p>In order to test how Management and the Board of Directors determined estimates regarding revenue recognition, we performed the following audit procedures:</p> <ul style="list-style-type: none"> • We gained an understanding of the process and controls for accounting for long-term production orders. • We inspected and critically assessed selected Management memoranda on the recognition of revenue in the appropriate period for certain components of revenue and on the assessment of the recognition of revenue in the appropriate period for these components. • For selected long-term production orders that were in production during the balance sheet date, we have examined the contractual basis and coordinated the relevant components with the order calculation. • For selected long-term production orders that were completed during the reporting period, we have audited the invoices, delivery notes and received payments. • For selected long-term production orders, we physically examined the stage of completion as at the balance sheet date. • For selected long-term production orders, we analysed and critically assessed the underlying cost rates used. <p>Based on our audit results, we consider the method, data and assumptions used by Management and the Board of Directors to recognize revenue from long-term construction contracts using the PoC method to be reasonable.</p>

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Thomas Ebinger
Licensed audit expert
Auditor in charge

Anita Gierbl-Wuffli
Licensed audit expert

Zürich, 12 March 2025

8 Financial statements of Orell Füssli AG

8.1 INCOME STATEMENT

in CHF thousand	Notes	2024	2023
Revenue from goods and services	9.4	91,204	82,318
Other operating income		2,031	2,573
Changes in inventories of semi-finished and finished products		- 1,740	395
Operating income		91,495	85,286
Cost of materials		-28,878	-27,631
Personnel expenses		-29,429	-28,455
Other operating expenses		-13,838	-12,524
Depreciation, amortisation and impairment		-9,095	-8,736
Earnings before interest and taxes (EBIT)		10,255	7,940
Financial income		4,024	10,179
Financial expenses		-456	-1,107
Financial result	9.6	3,568	9,072
Ordinary result		13,823	17,012
Extraordinary expenses		-	-112
Extraordinary result	9.7	-	-112
Earnings before income taxes (EBT)		13,823	16,900
Income tax expenses		-1,577	-802
Net income for the period		12,246	16,098

8.2 BALANCE SHEET

in CHF thousand	Notes	31.12.2024	31.12.2023
Assets			
Cash and cash equivalents		39,822	31,732
Receivables for goods and services	9.9	7,333	4,412
Receivables for goods and services to related parties		13	3
Receivables for goods and services to group companies		3	86
Advance payments to suppliers		3,203	1,678
Other current receivables	9.9	452	774
Other current receivables from Group companies	9.10	4,308	5,834
Inventories	9.11	6,501	7,897
Production orders	9.12	10,130	4,781
Accrued income and deferred expenses		1,244	829
Total current assets		73,009	58,026
Loans to Group companies	9.13	19,102	23,576
Participations in Group companies	9.13	35,749	35,180
Tangible assets	9.14	37,956	39,372
Intangible assets	9.15	1,964	1,750
Total non-current assets		94,771	99,878
Total assets		167,780	157,904
Liabilities and equity			
Payables for goods and services to third parties		560	2,408
Payables for goods and services to related parties		298	–
Current interest-bearing liabilities to Group companies	9.13	18,398	15,626
Other current payables to third parties		497	324
Advance payments from customers	9.16	7,867	4,632
Accrued expenses and deferred income	9.17	7,762	7,090
Current provisions	9.18	–	257
Total current liabilities		35,382	30,337
Non-current provisions	9.19	399	170
Total non-current liabilities		399	170
Share capital		1,960	1,960
Legal profit reserve		11,095	11,095
Retained earnings		106,698	98,244
Net income for the period		12,246	16,098
Total equity		131,999	127,397
Total liabilities and equity		167,780	157,904

9 Notes to the financial statements

9.1 Disclosures/Basis of accounting

Orell Füssli AG is a Swiss company with headquarters in Zurich. As of 31 December 2024 the company employed 207 full-time equivalents (2023: 200).

The financial statements have been prepared in accordance with the provisions on commercial accounting of the Swiss Code of Obligations.

Where not prescribed by law, the significant accounting and valuation principles applied are described below.

9.2 Foregoing a cash flow statement and additional disclosures in the notes

As Orell Füssli AG prepares consolidated financial statements in accordance with a recognised accounting standard (Swiss GAAP FER), it has decided to forego presenting a management report, a cash flow statement and additional information on audit fees in the notes in accordance with the law.

9.3 Currency conversion

Balance sheet items recorded in foreign currencies are converted into the functional currency, Swiss francs (CHF), using the exchange rate as of the balance sheet date. The price gain or loss resulting from the currency conversion is recognised in the income statement in the financial result.

9.4 Revenue from goods and services

In the 2024 financial year, revenue from goods and services includes revenue from production orders calculated using the PoC method in the amount of CHF 71,417k (2023: CHF 59,271k)

Revenue from trading goods and manufactured as well as printed products is recorded as income after their delivery to the client. Revenue is recorded net of value-added tax and any rebates. Revenue from production orders is recognised using the percentage-of-completion (PoC) method in order to record the portion of total sales realised for the reporting period (see section 9.11).

9.5 Derivative financial instruments

As of 31 December, there are outstanding foreign exchange forwards used for currency hedging of future cash flows. As per the balance sheet date, this resulted in a negative replacement value of CHF –602k for not yet completed contracts (2023: CHF 16k).

9.6 Financial result

Financial income includes dividends from Orell Füssli Buchhandlungs AG in the amount of CHF 3,422k (2023: CHF 9,592k) and interest income in the amount of CHF 600k (2023: CHF 587k). Financial expenses mainly comprise foreign currency losses on loans to Orell Füssli Group companies.

9.7 Extraordinary result

No extraordinary result was achieved in the reporting year. In the prior year, the extraordinary result was personnel expenses of CHF –112k relating to other periods.

9.8 Liquidation of hidden reserves

No hidden reserves were released in either the year under review or prior year.

9.9 Receivables for goods and services and other receivables

Receivables for goods and services and other receivables are recognised at their nominal value. Significant doubtful accounts receivable are individually valued and adjusted as of the balance sheet date. The other receivables are adjusted applying a flat-rate allowance based on actual experience. In the reporting year, there are value adjustments of CHF –39k (2023: CHF –7k).

9.10 Current receivables from Group companies

Current receivables from Group companies are two loans to subsidiaries. In the prior year, there were dividends not yet disbursed from Orell Füssli Buchhandlungs AG.

9.11 Inventories

Inventories comprise various substrates, dyes, varnishes and other materials as well as books and non-book articles.

Inventories are valued using the lower of cost or market principle (the lower of the acquisition or production cost and the net realisable value). Acquisitions are calculated based on the weighted-average acquisition cost. With regard to trading goods, impairment charges are made for unsellable inventory or inventory with a low turnover. Books still in production are recorded at the accumulated production costs.

9.12 Production orders

Long-term production orders with a time frame of at least three months and representing a significant volume are recorded using the PoC method. The PoC method measures the stage of completion of the contractual activity in percentage terms in order to determine the share of the overall revenue for the reporting period and to recognise this share as a receivable. To this end, the portion of the production stages that have been carried out is used as the valuation basis. Expected losses on production orders are recognised immediately in the income statement as an expense.

Advance payments are recognised directly in equity. Advance payments are offset against the accrued costs of the production order to which the payments relate.

For the other production orders, which do not satisfy the PoC criteria, the direct production costs, including material and production costs as well as production overheads, are recorded on an accrual basis.

9.13 Loans and participations

Orell Füssli AG provides its subsidiaries with required funds in the form of loans or receives from its subsidiaries cash in excess of requirements for investments.

PARTICIPATIONS

at 31 December		2024		2023	
		in CHF thousand	Capital held	in CHF thousand	Capital held
Zeiser GmbH	Emmingen, DE	8,891	100.0%	8,891	100.0%
hep Verlag AG	Bern, CH	12,243	100.0%	12,243	100.0%
izit AG	Zurich, CH	–	0.0%	100	100.0%
Procivis AG	Zurich, CH	14,564	92.5%	13,895	86.2%
Orell Füssli Buchhandlungs AG	Zurich, CH	51	51.0%	51	51.0%
Total subsidiaries		35,749		35,180	
Orell Füssli Kartographie AG	Zurich, CH	–	23.8%	–	23.8%
KXO AG	Zug, CH	–	39.2%	–	39.2%
Landqart AG	Landquart, CH	–	3.3%	–	3.3%
Total related parties		–		–	

Loans and participations are recognised at the lower of acquisition cost or initial cost less any impairments.

9.14 Tangible assets

MOVEMENTS IN TANGIBLE ASSETS 2024

in CHF thousand at 31 December	Developed property and buildings	Machinery and equipment	Furniture and fixtures	Vehicles	IT systems (hardware)	Assets under construction	Total
Cost at 1 January	36,859	102,542	1,853	59	5,878	4,590	151,781
Additions	1,740	3,944	143	–	275	1,020	7,122
Disposals	–454	–907	–78	–18	–777	–	–2,234
Reclassification	460	4,130	–	–	–	–4,590	–
Cost at 31 December	38,605	109,709	1,918	41	5,376	1,020	156,669
Accumulated depreciation and impairment at 1 January	–28,518	–78,338	–1,407	–59	–4,087	–	–112,409
Depreciation on disposals	454	907	78	18	777	–	2,234
Depreciation	–1,662	–6,180	–98	–	–564	–	–8,504
Impairment	–	–22	–	–	–12	–	–34
Accumulated depreciation and impairment at 31 December	–29,726	–83,633	–1,427	–41	–3,886	–	–118,713
Net carrying amount at 1 January	8,341	24,204	446	–	1,791	4,590	39,372
Net carrying amount at 31 December	8,879	26,076	491	–	1,490	1,020	37,956

MOVEMENTS IN TANGIBLE ASSETS 2023

in CHF thousand at 31 December	Developed property and buildings	Machinery and equipment	Furniture and fixtures	Vehicles	IT systems (hardware)	Assets under construction	Total
Cost at 1 January	36,484	116,355	1,967	59	5,435	708	161,008
Additions	840	2,880	117	–	867	4,440	9,144
Disposals	–533	–17,217	–231	–	–424	–	–18,405
Reclassification	68	524	–	–	–	–558	34
Cost at 31 December	36,859	102,542	1,853	59	5,878	4,590	151,781
Accumulated depreciation and impairment at 1 January	–27,291	–89,924	–1,474	–59	–3,896	–	–122,644
Depreciation on disposals	533	17,211	182	–	424	–	18,350
Depreciation	–1,614	–5,620	–87	–	–554	–	–7,875
Impairment	–146	–5	–28	–	–61	–	–240
Accumulated depreciation and impairment at 31 December	–28,518	–78,338	–1,407	–59	–4,087	–	–112,409
Net carrying amount at 1 January	9,193	26,431	493	–	1,539	708	38,364
Net carrying amount at 31 December	8,341	24,204	446	–	1,791	4,590	39,372

Tangible assets are recognised at cost or manufacturing cost less depreciation. The acquisition and production costs include the acquisition costs of tangible assets as well as the directly attributable costs to prepare the assets for their intended use.

Depreciation begins as soon as the fixed asset is ready for use or is operational. Land is not subject to depreciation.

Assets under construction are those assets that are not yet ready for use or not yet in operation. They are valued at accumulated acquisition or production costs and are not depreciated.

The operating life of tangible assets is as follows:

OPERATING LIFE OF TANGIBLE ASSETS

	Estimated operating life in years
Buildings	30–40
Fixed facilities and renovations	10–20
Machinery and equipment	5–10
Movable properties, vehicles	5–8
IT systems (hardware)	3–5

9.15 Intangible assets

MOVEMENTS IN INTANGIBLE ASSETS 2024

in CHF thousand at 31 December	Software and develop-ments	Rights and licenses	Intangible assets in the course of development	Total
Cost at 1 January	6,397	171	56	6,624
Additions	710	–	61	771
Disposals	– 1,389	–	–	– 1,389
Cost at 31 December	5,718	171	117	6,006
Accumulated amortisation and impairment at 1 January	– 4,718	– 156	–	– 4,874
Amortisation on disposals	1,389	–	–	1,389
Amortisation	– 556	– 1	–	– 557
Accumulated amortisation and impairment at 31 December	– 3,885	– 157	–	– 4,042
Net carrying amount at 1 January	1,679	15	56	1,750
Net carrying amount at 31 December	1,833	14	117	1,964

MOVEMENTS IN INTANGIBLE ASSETS 2023

in CHF thousand at 31 December	Software and develop-ments	Rights and licenses	Intangible assets in the course of development	Total
Cost at 1 January	6,344	156	34	6,534
Additions	1,028	15	56	1,099
Disposals	– 975	–	–	– 975
Reclassification	–	–	– 34	– 34
Cost at 31 December	6,397	171	56	6,624
Accumulated amortisation and impairment at 1 January	– 5,074	– 154	–	– 5,228
Amortisation on disposals	975	–	–	975
Amortisation	– 433	– 2	–	– 435
Impairment	– 186	–	–	– 186
Accumulated amortisation and impairment at 31 December	– 4,718	– 156	–	– 4,874
Net carrying amount at 1 January	1,270	2	34	1,306
Net carrying amount at 31 December	1,679	15	56	1,750

Intangible assets comprise rights, licenses and software. They are valued at acquisition cost or production cost less accumulated amortisation and impairment. The acquisition costs of rights, licenses and software comprise the purchase price and directly attributable costs. Rights, licenses and software are amortised using the straight-line method over the contractually agreed duration. Software and development item consists solely of bought-in products.

The useful life of intangible assets is as follows:

USEFUL LIFE OF INTANGIBLE ASSETS

	Estimated useful life in years
Software and developments	3–5
Rights and licenses	3–5

9.16 Advance payments from customers

Advance payments from customers of CHF 7,867k (2023: CHF 4,632k) include advance payments from shareholders of CHF 2,734k (2023: CHF 3,326k) for production orders and payments in the amount of CHF 6,473k (2023: CHF 3,969k), which have been offset against the PoC production orders.

Advance payments are always made for long-term production orders. Advance payments by customers comprise only those payments that have not been offset against the accrued costs of the production orders.

9.17 Accrued expenses and deferred income

In Accordance with the consolidated financial statements, the deferred income tax liabilities are now recognized as accrued expenses and deferred income, in the past it was recognized as other current payables to third parties. The values of the prior year have been adjusted accordingly. This decision has no impact on balance sheet total, equity and result.

9.18 Current provisions

In the prior year, current provisions included costs for the necessary demolition work in the building and for ongoing proceedings.

9.19 Non-current provisions

Non-current provisions include accruals for entitlements arising from the employee equity incentive plans.

9.20 Major shareholders

MAJOR SHAREHOLDERS

at 31 December 2024	Total registered shares	Participation
Swiss National Bank (SNB), Berne (CH)	653,460	33.3%
Dieter Meier, Zurich (CH) (held by Campdem Development SA)	236,640	12.1%
Fam. Siegert, Meerbusch (DE)	154,707	7.9%

9.21 Contingent liabilities

As at 31.12.2024, the company had contingent liabilities in the amount of CHF 785k (2023: CHF 1,454k) for share purchase options relating to minority interests.

9.22 Obligations from operating lease contracts

Orell Füssli AG rents property and machinery by means of operating leases.

The future aggregated minimum lease payments that cannot be terminated early are as follows:

MATURITIES OF FUTURE AGGREGATED MINIMUM LEASE PAYMENTS

in CHF thousand at 31 December	2024	2023
No later than 1 year	367	317
Later than 1 year and no later than 5 years	836	952
Total future aggregate minimum lease payments	1,203	1,269

9.23 Participation rights

Participation rights on shares have been allocated to the Executive Board as follows:

PARTICIPATION RIGHTS

at 31 December	2024	2023
Price per share in CHF (average price February 2025/2024)	80.70	73.75
Total of allocations to the Executive Board	3,213	3,399
Total of allocations in CHF thousand	259	251

9.24 Events after the balance sheet date

On 4 March 2025, the Company announced the acquisition of 100% of the shares of Verlag SKV AG with retroactive effect from 1 January 2025. The Zurich-based company generated revenues in the mid-single-digit million range in 2024.

No further events that provide additional information on the items in the financial statements or cast doubt on the assumption that the company is a going concern or that would be otherwise material occurred between the balance sheet date and 12 March 2025.

The financial statements were approved and released for publication by the Board of Directors on 12 March 2025. They are subject to approval by the Annual General Meeting.

Proposed appropriation of retained earnings

The Board of Director's proposes to the Annual General Meeting on 13 May 2025 the payment of a dividend of CHF 4.40 per share.

PROPOSED APPROPRIATION OF RETAINED EARNINGS AND UNRESTRICTED RESERVES

in CHF thousand	2024
Retained earnings	106,698
Net income for the period	12,246
Retained earnings available to the Annual General Meeting	118,944
Dividend of CHF 4.40 per share	-8,624
Balance carried forward	110,320

Report of the statutory auditor on the financial statements



Report of the statutory auditor to the General Meeting of Orell Füssli AG, Zürich

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Orell Füssli AG (the Company), which comprise the income statement for the year ended 31 December 2024, the balance sheet as at 31 December 2024 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (page 128 to 136) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach



Overview

Overall materiality: CHF 912k

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

- Revenue recognition relating to long-term production orders of Orell Füssli AG using the percentage-of-completion (PoC) method.

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

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Overall materiality	CHF 912k
Benchmark applied	Revenue from goods and services
Rationale for the materiality benchmark applied	We chose revenue from goods and services as the benchmark because, in our view, it is a key benchmark against which the main business activities can be assessed.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition relating to long-term production orders of Orell Füssli AG using the percentage-of-completion (PoC) method.

Key audit matter	How our audit addressed the key audit matter
<p>As can be seen in note 9.4 of the financial statements, revenue from production orders accounted for using the percentage-of-completion (PoC) method amounted to CHF 71,417k in the 2024 financial year. This represents about 78% of revenue from goods and services.</p> <p>Long-term production orders with a timeframe of at least three months and representing a significant volume are recorded using the PoC method.</p> <p>The PoC method measures the stage of completion of the contractual activity in percentage terms in order to determine the share of the overall revenue for the reporting period and to recognise this share as a receivable. To do this, Management and the Board of Directors estimate the applicable cost rates as well as the production progress based on the finished quantity, or the production stages completed. If losses on production orders are forecasted, further estimates are necessary to assess their extent.</p> <p>Owing to the size of revenue from goods and services accounted for using the PoC method and the significant scope for judgement by Management and the Board of Directors involved in recognising revenue in the appropriate period, we consider revenue recognition in this area as a key audit matter.</p> <p>We refer to note 9.4 "Revenue from goods and services" and note 9.12 "Production Orders" in the notes to the financial statements.</p>	<p>We assessed the appropriateness of the Group's financial reporting in relation to revenue recognition relating to long-term production orders using the PoC method, including the accounting policies for the determination of the stage of completion and the cost rates used.</p> <p>In order to test how Management and the Board of Directors determined estimates regarding revenue recognition, we performed the following audit procedures:</p> <ul style="list-style-type: none">• We gained an understanding of the process and controls for accounting for long-term production orders.• We inspected and critically assessed selected Management memoranda on the recognition of revenue in the appropriate period for certain components of revenue and on the assessment of the recognition of revenue in the appropriate period for these components.• For selected long-term production orders that were in production during the balance sheet date, we have examined the contractual basis and coordinated the relevant components with the order calculation.



- For selected long-term production orders that were completed during the reporting period, we have audited the invoices, delivery notes and received payments.
- For selected long-term production orders, we physically examined the stage of completion as at the balance sheet date.
- For selected long-term production orders, we analysed and critically assessed the underlying cost rates used.

Based on our audit results, we consider the method, data and assumptions used by Management and the Board of Directors to recognize revenue from long-term construction contracts using the PoC method to be reasonable.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed appropriation of retained earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Thomas Ebinger
Licensed audit expert
Auditor in charge

Anita Gierbl-Wuffli
Licensed audit expert

Zürich, 12 March 2025



NOTE REGARDING FORWARD-LOOKING STATEMENTS

No statement in this annual report that refers to the future constitutes a guarantee of future performance. They involve risks and uncertainty, including but not limited to future global economic conditions, foreign exchange rates, regulatory requirements, market conditions, activities of competitors and other factors beyond the company's control that may cause actual developments and results to differ significantly from the statements made in this document. Orell Füssli is under no obligation to adapt or modify forward-looking statements based on new information, future events or other reasons.

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