ESG KEY INDICATORS

Sustainable Development at Sika means integrating Environmental, Social, and Governance (ESG) criteria into the strategic planning and into the business. To grasp the ESG dimensions and their priorities for Sika, the company has summarized the ESG key indicators in an overview.

ENVIRONMENT[1]

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
SCOPE 1, 2, AND 3 GHG EMISSIONS[2]							
Total GHG emissions scope 1, 2, and 3	$ktCO_2eq$	227	228	12,791	15,842	15,347	
Scope 1 GHG emissions	$ktCO_2eq$	88	103	156	191	170	
Scope 2 GHG emissions – Market-based	$ktCO_2eq$	124	121	82	104	95	
Total scope 3 GHG emissions	$ktCO_2eq$	15	4	12,553	15,547	15,082	
Cat. 1 Purchased goods and services	$ktCO_2eq$			6,595	8,728	7,934	
Cat. 12 End-of-life treatment of sold products	$ktCO_2eq$			4,190	4,641	4,554	
Cat. 4 Upstream transportation and distribution	$ktCO_2eq$			1,070	1,149	1,384	
Cat. 2 Capital goods	$ktCO_2eq$			172	253	499	
Cat. 9 Downstream transportation and distribution	$ktCO_2eq$			139	206	279	
Cat. 11 Use of sold products	$ktCO_2eq$			108	246	123	
Cat. 5 Waste generated in operations	$ktCO_2eq$			108	102	89	
Cat. 3 Fuel- and energy-related activties	$ktCO_2eq$			81	87	89	
Cat. 7 Employee commuting	$ktCO_2eq$			63	79	80	
Cat. 6 Business travel	$ktCO_2eq$	15	4	6	23	28	
Cat. 8 Upstream leased assets	$ktCO_2eq$			21	33	23	

1 Acquisitions that occured in 2023 did not lead to a restatement of previous years' reporting except when stated specifically.
2 2022 scope 1, 2 and 3 GHG emissions disclosed in this section have been recalculated to reflect the MBCC Group acquisition in line with SBTi net zero standards.
2023 scope 1, 2 and 3 GHG emissions disclosed in this section include the full reporting year of 2023 acquisitions.

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
SCOPE 1 AND 2 GHG EMISSIONS							
GHG emissions intensity scope 1 and 2 per ton sold [1]	kg CO_2eq/t	27.0	19.6	17.6	16.4	15.7	24
Change compared to previous year	%	–12.9	–27.3	–10.1	–6.9	–4.4	–3 p.a.
Total GHG emissions scope 1 and 2 – Market-based	ktCO_2eq	212	224	238	231	245	
Scope 1 GHG emissions	ktCO_2eq	88	103	156	156	160	
Scope 2 GHG emissions – Market-based	ktCO_2eq	124	121	82	75	85	
Total GHG emissions scope 1 and 2 – Location-based	ktCO_2eq	243	260	315	316	334	
Scope 1 GHG emissions	ktCO_2eq	88	103	156	156	160	
Scope 2 GHG emissions – Location-based	ktCO_2eq	155	157	159	160	174	

1 Based on market-based GHG emissions.

ENERGY							
Energy intensity per ton sold	MJ/t	379.0	299.5	324.7	315.5	295.8	309
Change compared to previous year	%	–11.2	–21.0	+8.4	–2.8	–6.2	–3.8 p.a.
Total energy consumption	TJ	3,017	3,422	4,388	4,430	4,623	
Direct energy	TJ	1,578	1,882	2,771	2,750	2,817	
Heavy liquid fuel	TJ	1	2	3	0	0	
Light liquid fuel	TJ	208	166	192	133	126	
Natural gas	TJ	1,095	1,417	1,786	1,794	1,727	
Liquified Petroleum Gas (LPG)	TJ	70	87	98	109	127	
Vehicle fuel	TJ	201	208	689	707	819	
Self-produced electricity from renewable sources	TJ	3	2	3	7	18	
Indirect energy	TJ	1,439	1,540	1,617	1,680	1,806	
Purchased electricity	TJ	1,439	1,540	1,617	1,672	1,799	
Thereof – Purchased renewable electricity	TJ	214	371	845	1,048	1,001	
District heating [1]	TJ	–	–	–	8	7	
Purchased renewable electricity rate [2]	%	15.0	24.1	52.3	62.7	55.6	

1 In 2022, district heating was added to the scope 2 inventory as per the GHGP and included in Sika's indirect energy consumption. 2021 data have not been restated accordingly.
2 This indicator is based on 100% green contracts, Energy Attribute Certificates (EACs) such as Guarantees of Origins (GOs), Renewable Energy Certificates (RECs) or International Renewable Energy Certificates (I-RECs) or Power Purchase Agreements. This renewable rate does not consider self-produced renewable electricity. It also excludes renewable shares from local electricity grid mix.

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
WATER[1]							
Water consumption per ton sold[2]	m^3/t	0.34	0.28	0.25	0.24	0.21	0.29
Change compared to previous year	%	–12.8	–18.4	–8.6	–6.0	–12.2	–3.8 p.a.
Water consumption	m^3	2,685,000	3,170,394	3,428,157	3,348,495	3,272,812	
Water withdrawal[3]	m^3	3,609,000	4,065,822	4,395,590	4,297,416	4,469,980	
Public supply	m^3	1,692,000	1,811,707	1,922,637	1,959,347	2,112,299	
Groundwater	m^3	1,835,000	2,216,460	2,422,271	2,284,007	2,281,956	
Surface waterbodies	m^3	82,000	37,655	50,682	29,200	51,967	
Rainwater	m^3	–	–	–	24,862	23,758	
Water usage[4]	m^3	3,576,000	4,051,101	4,406,238	4,297,655	4,478,559	
Water in products	m^3	891,000	880,707	978,081	949,160	1,205,747	
Process and cooling water	m^3	2,065,000	2,505,851	2,753,499	2,699,077	2,512,764	
Sanitary water	m^3	620,000	664,543	674,658	649,418	760,048	
Water discharge[5]	m^3	2,540,000	3,016,395	3,280,613	3,210,145	3,145,165	
Water to sewage	m^3	770,000	906,667	913,590	874,591	997,150	
Water to surface waterbodies	m^3	1,770,000	2,109,728	1,928,147	1,184,128	915,017	
Water to ground	m^3	–	–	438,876	1,113,542	1,168,725	
Water sent off-site for treatment	m^3	–	–	–	37,884	64,273	

1 Water indicators for 2020, 2021, and 2022 disclosed in this section have been restated due to a stricter application of internal reporting rules for groundwater volumes withdrawn used for cooling processes in one factory.
2 Water consumption per ton sold is only based on process and cooling water and sanitary water. Water in products is excluded from this indicator.
3 Total water withdrawal includes the volume of water used as an input material. In 2022, rainwater has been added to the reporting of water withdrawal per type of source. Water withdrawal data from 2019, 2020 and 2021 have not been restated.
4 The difference between water withdrawal and water use is related to water storage. Rainwater is considered under water withdrawal from 2022 onwards and could also be a source of difference between water withdrawal and water use for the previous years.
5 Depending on local regulations, wastewater can be disposed separately and therefore not included in water discharge but included in waste. Up to 2021, wastewater disposed separately due to local regulations could be reported under waste and excluded from water discharge. From 2022 onwards, the reporting methodology has been adjusted and a new account "water sent off-site for treatment" was created to capture the total volume of wastewater under water discharge. The indicator "water to ground" has also been added. Waste and water data from 2019, 2020 and 2021 have not been restated accordingly to the new methodology.

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
WASTE							
Waste intensity per ton sold	kg/t	14.1	12.4	11.2	10.8	10.6	12.0
Change compared to previous year	%	–22.1	–12.0	–9.6	–3.3	–2.5	–3.8 p.a.
Waste intensity compared to total input materials	%	1.6	1.6	1.3	1.3	1.3	
Total waste	t	112,000	141,675	151,560	152,237	165,187	
Non-hazardous waste	t	92,000	120,633	129,884	134,385	143,757	
Hazardous waste	t	20,000	21,042	21,676	17,852	21,430	
Total waste by type of destination [1]	t	112,000	141,675	151,560	152,237	165,187	
Landfill	t	45,000	60,794	67,509	61,701	64,411	
Non-hazardous waste	t	–	–	–	59,052	60,981	
Hazardous waste	t	–	–	–	2,649	3,430	
Incineration	t	29,000	30,862	32,603	29,075	29,065	
Non-hazardous waste	t	–	–	–	17,990	16,954	
Hazardous waste	t	–	–	–	11,085	12,111	
Recycling	t	38,000	50,019	51,448	61,461	71,711	
Non-hazardous waste	t	–	–	–	57,343	65,822	
Hazardous waste	t	–	–	–	4,118	5,889	
Recycling rate	%	34.0	35.3	33.9	40.4	43.4	42.5

1 In 2022, waste volumes per type of destination were detailed for hazardous and non-hazardous waste.
Waste data from 2019, 2020, and 2021 have not been restated accordingly to the new level of granularity.

MATERIALS							
Volume of input materials used [1]	Mn t	7.0	8.8	11.6	11.9	13.0	
Thereof – Recycled input materials	%	1.3	2.7	3.7	3.2	1.9	

1 Excluding water, packaging and semi-finished products (raw materials already processed by Sika through a first production/assembly process).

AIR EMISSIONS[1]							
Nitrogen oxides (NO_x)	t	–	268.0	482.1	245.4	208.5	
Volatile organic compounds (VOCs) [2]	t	–	23.5	69.5	194.8	175.2	
Dust PM 10 [3]	t	–	12.3	31.9	172.9	159.6	
Carbon monoxide (CO)	t	–	53.4	72.8	125.5	113.1	
Sulfur oxides (SO_x)	t	–	3.0	3.6	1.9	2.1	

1 In 2022, Sika updated the conversion factors related to primary energy from m^3 to GJ to reflect the gross CV (calorific value) based on Defra/BEIS recommendations.
It has an impact on the calculation of air emissions from 2022 onwards. 2021 is not restated accordingly. MBCC entities and Thiessen Team USA have been excluded from consolidated 2023 disclosed figures in this section.
2 In 2022, VOC reporting was extended to include emissions from the petrochemical materials and related processes. 2020 and 2021 data have not been restated accordingly.
3 In 2022, dust reporting was extended to include emissions from the mortar production. 2020 and 2021 data have not been restated accordingly.

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
ENVIRONMENTAL COMPLIANCE[1]							
ISO 14001 (Environmental Management System) certified sites	#	172	242	275	297	313	
Coverage of Sika sites under ISO scope	%	55	47	48	49	43	
ISO 50001 (Energy Management System) certified sites	#	16	16	17	27	27	
Coverage of Sika sites under ISO scope	%	3	3	3	5	4	
Significant incidents[2]	#	5	3	2	5	10	

1 Considered under ISO scope are: headquarters, plants, warehouses, and technology centers. Sales offices, administrative offices, training centers and subsidiaries are excluded as these activities do not fall under the scope of the respective ISO standards.

2 A incident (spill, environmental incident or emissions release) is considered significant when reported to authorities, having media coverage, or creating a significant cost (above CHF 2,000). Restatement of 2022 figure to account for the resolution of a 2021 US EPA final order which resulted in a fine in 2022.

SOCIAL

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
HEALTH & SAFETY							
Sika employees [1]							
Fatalities	#	1	1	0	0	1	0
Lost Time Accidents [2]	#	261	230	256	209	180	–50%
Change compared to previous year	%	+24.9	–11.9	+11.3	–18.4	–13.9	
Lost Time Accidents per 1,000 FTEs	Rate	9.6	8.4	9.2	7.1	5.4	
Change compared to previous year	%	–7.7	–12.5	9.5	–23.8	–23.9	
Days lost due to Lost Time Accidents	#	5,617	4,650	4,919	5,716	4,849	
Average days lost per Lost Time Accident	#	21.5	20.2	19.2	27.3	26.9	
LTIFR per 200,000 hours	Rate	0.95	0.84	0.92	0.70	0.53	
Occupational illnesses	#	5	16	10	12	22	
OIFR per 200,000 hours	Rate	0.018	0.059	0.036	0.040	0.064	
Sika contractors							
Fatalities	#	0	1	0	0	0	0
Lost Time Accidents [2]	#	14	11	30	27	19	
Occupational Health & Safety and Quality Management System [3]							
ISO 45001 (Occupational Health and Safety Management System) certified sites	#	84	114	147	196	206	
Coverage of Sika sites under ISO scope	%	27	22	26	33	28	
ISO 9001 (Quality Management System) certified sites	#	209	315	345	361	422	
Coverage of Sika sites under ISO scope	%	67	61	61	60	58	

1 Apprentices and interns are excluded from FTEs and worked hours used for the calculation of LTAs per 1,000 FTEs, LTIFR, and OIFR.
LTIFR: Lost Time Injury Frequency Rate; OIFR: Occupational Illness Frequency Rate.
2 2022 figures related to LTAs (employees and contractors), days lost due to LTAs and related KPIs have been revised upwards to take account of the incorrect classification of four incidents identified after publication.
3 Considered under ISO scope are: headquarters, plants, warehouses, and technology centers. Sales offices, administrative offices, training centers are excluded as these activities do not fall under the scope of respective ISO standards.

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
EMPLOYEES AND DIVERSITY[1]							
Total number of employees	#	25,141	24,848	27,059	27,708	33,547	
Change compared to previous year	%	+25.3	-1.2	+8.9	+2.4	+21.1	
Net added value per employee – annual average	CHF thousands	116	107	118	121	116	
Breakdown of employees per type of contract and per gender[1]							
Permanent employees	%	88.0	95.6	87.4	88.6	89.5	
Female	%	–	–	–	23.5	23.9	
Male	%	–	–	–	76.5	76.1	
Temporary employees	%	11.0	3.6	11.9	10.6	9.6	
Female	%	–	–	–	26.8	26.3	
Male	%	–	–	–	73.2	73.7	
Apprenticeship/internship	%	1.0	0.8	0.7	0.8	0.9	
Female	%	–	–	–	43.2	40.1	
Male	%	–	–	–	56.8	59.9	
Breakdown of employees per age and per gender[1]							
Employees under the age of 30	%	15.1	13.2	13.5	12.8	11.9	
Female	%	–	–	–	31.9	32.8	
Male	%	–	–	–	68.1	67.2	
Employees between 30 and 50	%	60.2	62.0	61.3	62.0	62.1	
Female	%	–	–	–	24.6	24.9	
Male	%	–	–	–	75.4	75.1	
Employees above 50	%	24.7	24.8	25.2	25.3	26.0	
Female	%	–	–	–	18.6	18.7	
Male	%	–	–	–	81.4	81.3	
Breakdown of employees per employment type and per gender[1]							
Full-time employees	%	97.2	97.1	97.1	97.2	96.9	
Female	%	–	–	–	22.7	22.7	
Male	%	–	–	–	77.3	77.3	
Part-time employees	%	2.8	2.9	2.9	2.8	3.1	
Female	%	–	–	–	70.2	72.2	
Male	%	–	–	–	29.8	27.8	

1 Since 2022, Sika has added granularity to the reporting of headcount-related indicators. The breakdown of employees per age, contract, and employment type is now available per gender. 2019, 2020, and 2021 have not been restated accordingly.

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
Breakdown of employees per gender and per category							
Staff	%	77.9	79.9	80.9	80.7	81.5	
Female	%	23.2	23.3	23.7	24.3	24.6	
Male	%	76.8	76.7	76.3	75.7	75.4	
Middle Management	%	17.3	15.5	14.6	15.3	14.5	
Female	%	22.3	20.9	21.9	23.2	22.8	
Male	%	78.5	79.1	78.1	76.8	77.2	
Company Management [1]	%	4.8	4.6	4.3	4.0	4.0	
Female	%	21.5	20.1	19.6	20.8	22.2	
Thereof Female – Group Management	%	0.0	11.1	25.0	25.0	25.0	
Male	%	78.5	79.9	80.4	79.2	77.8	
Thereof Male – Group Management	%	100.0	88.9	75.0	75.0	75.0	
Recruitment rate							
Recruitment rate [2]	Rate	11.3	7.9	13.9	15.1	13.3	
Female	Rate	–	8.8	16.0	18.9	16.0	
Male	Rate	–	7.7	13.2	13.9	12.5	
Turnover rate							
Employee voluntary turnover rate	Rate	6.0	6.4	7.4	9.3	8.5	
Employee turnover rate [3]	Rate	10.5	11.2	11.1	13.6	13.5	
Female	Rate	–	11.6	10.6	14.3	13.9	
Male	Rate	–	11.1	11.3	13.4	13.3	
Internal promotions							
Internal promotions to a higher management position	%	1.2	0.9	1.6	1.4	2.4	

1 Both Sika Senior Managers and local Company Management Teams are included in this category.
2 The recruitment rate is calculated as follows: Number of recruitments/((headcount at the beginning of the year + headcount at the end of the year)/2).
3 The employee turnover rate considers all departures: Natural fluctuations, voluntary leavers, and involuntary leavers. It is calculated as follows:
All departures/((headcount at the beginning of the year + headcount at the end of the year)/2).
Natural fluctuations refer to retirement or death for example.

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
TRAINING & EMPLOYEE DEVELOPMENT							
Average hours of training per employee	Hours	11.4	10.1	11.1	13.4	12.5	
Employees with performance reviews [1]	%	>20	>20	50	50	62	

1 2019 and 2020 figures only covered employees with management functions. Since 2021, this indicator covers all employees who have a performance review process regardless of their employment category.

HUMAN RIGHTS ASSESSMENT							
Violations or incidents occurred	#	0	0	0	0	0	
COMMUNITY ENGAGEMENT [1]							
Community engagement projects	#	148	183	242	406	582	+50%
Volunteering days of employees	#	401	1,119	1,392	2,595	7,953	10,000
Direct beneficiaries	#	7,765	268,581	44,188	53,666	126,705	+50%

1 Some of the projects do not require any volunteering work from Sika employees and therefore not all projects led to volunteering days. Starting from 2023, community engagement guidelines have been strengthened. A minimum of 8 hours of volunteering work needs to take place to consider a project as "community engagement".

SUPPLIERS [1]							
Direct materials and trading good spend	CHF mn	3,765	3,563	4,461	5,312	5,213	
Direct materials and trading good spend (% of total net sales)	%	46.4	45.2	48.2	50.6	46.4	

1 Refers to tier 1 suppliers.

GOVERNANCE

Metric	Unit	2019	2020	2021	2022	2023	Target 2023 (Baseline:2019)
BOARD OF DIRECTORS							
Total directors	#	8	8	8	8	8	
Female	#	1	1	1	3	3	
Male	#	7	7	7	5	5	
Age between 30 and 50	#	1	1	0	0	0	
Age above 50	#	7	7	8	8	8	
Average term of office	Years	7	8	9	4	5	
Independence	%	100	100	87.5	87.5	87.5	
COMPENSATION							
CEO total summary compensation	CHF mn	4.1	4.4	2.7	4.1	4.5	
Board of Directors total summary compensation	CHF mn	2.8	3.0	3.0	3.1	3.1	
Group Management total summary compensation	CHF mn	15.3	16.3	15.8	16.1	17.1	
OWNERSHIP & CONTROL							
Controlling shareholder	–	None	None	None	None	None	
Voting rights of largest shareholder	%	>10	<10	<10	<10	<10	
No. of shareholders with voting rights exceeding 3%	#	6	4	4	4	4	
AUDIT							
Group audits conducted[1]	#	112	91	101	205	221	

1 This figure includes both Corporate Internal Audits and Group Audits.

TAX APPROACH							
Tax rate	%	21.5	22.2	21.5	22.4	20.5	
COMPLIANCE CASES							
Total number of substantiated compliance violations[1]	#	24	23	33	22	47	
Of which leading to disciplinary measures	#	24	21	23	23	35	

1 Not all identified violations lead to disciplinary measures (for instance, in some cases, the employee responsible for the violation may already have left the company).