

Holding up successfully
The financial year
at a glance

Shaping the future
Sustainability at
Endress+Hauser

Annual report

2024

Financial highlights

	EUR in thousands			CHF in thousands		
	2024	2023	Change	2024	2023	Change
Net sales	3,744,181	3,718,829	0.7%	3,566,258	3,609,607	-1.2%
Operating profit (EBIT)	561,873	573,048	-2.0%	535,174	556,218	-3.8%
Operating margin	15.0%	15.4%		15.0%	15.4%	
Profit before taxes (EBT)	527,020	537,178	-1.9%	501,977	521,402	-3.7%
Return on sales (ROS)	14.1%	14.4%		14.1%	14.4%	
Net income	407,884	408,739	-0.2%	388,501	396,735	-2.1%
Productivity ratio	1.41	1.42		1.41	1.42	
Equity	2,266,751	2,177,717	4.1%	2,128,162	2,021,683	5.3%
Equity ratio	53.3%	55.1%		53.3%	55.1%	
Total assets	4,255,554	3,952,257	7.7%	3,995,369	3,669,078	8.9%
Capital expenditures	349,340	260,591	34.1%	332,739	252,937	31.6%
Cash flow from operating activities	288,707	566,894	-49.1%	274,988	550,244	-50.0%
Number of employees	17,046	16,532	3.1%			



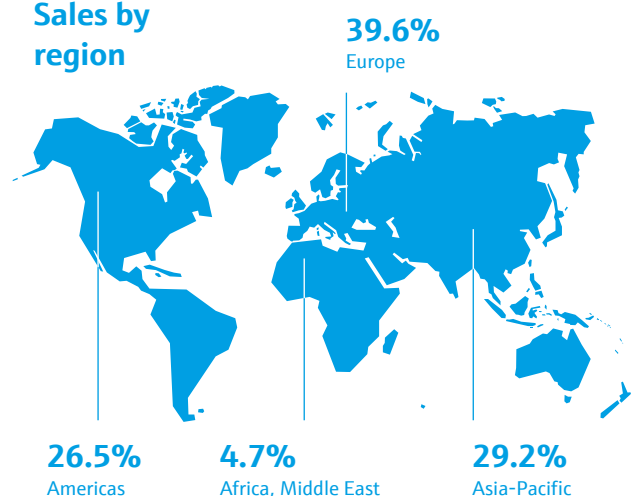
Operating margin
15.0%
(2023: 15.4%)

Employees
17,046
(+514)



Net sales
€3.74 bil.
(+0.7%)

Sales by region



Investments
€349 mil.
(2023: €261 mil.)

Net income
€408 mil.
(-0.2%)



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The year in review



January

On 9 January, the company marks the 100th anniversary of the birth of **Georg H Endress**. He was 29 when he and Ludwig Hauser established Endress+Hauser. Georg H Endress died in 2008, but his legacy lives on. He had a defining influence on his company – and on many people, who remember him fondly to this day.

July

Endress+Hauser and **SICK** seal their strategic partnership. Under the agreement, Endress+Hauser will take over worldwide sales and service of SICK's process analyzers and gas flowmeters. To produce and further develop these products, the two companies establish a joint venture, Endress+Hauser SICK GmbH+Co. KG, in which they each hold a 50 percent stake. Under the partnership, about 800 sales and service employees will transfer from SICK to Endress+Hauser at the start of 2025. The production operation employs around 730 people at five sites in Germany. Thanks to this partnership, customers will have access to a broader range of products from a single source and will benefit from enhanced expertise in gas analysis and measurement technology.



March

A newly established regional support unit in **Zagreb** starts providing support for sales and service in Slovenia, Romania, Croatia and Hungary. A further new entity provides a central point of contact for customers in **Africa** and supports the sales and service network on the African continent.



April

Endress+Hauser converts the former home of Alice and Georg H Endress into a **guest house**. Located in Arlesheim, Switzerland, the building provides guest rooms and event spaces for use by members of the shareholder family and employees of the company.

July

Endress+Hauser opens a new **logistics hub** in India. The complex, located in the city of **Bhiwandi**, provides significantly more storage capacity than the previous facility. In China, the company expands its logistic hub in **Kunshan**. The facility can now handle more than 25,000 units per month – a capacity increase of 60 percent.

August



Endress+Hauser kicks off the largest construction project in its history: the modernization and expansion of its **Maulburg** production site in Germany. Representing an investment of around 120 million euros, the project paves the way for sustainable growth. With the same goal in mind, the company also expands its production campus in **Chhatrapati Sambhajinagar** (formerly Aurangabad), India – an investment valued in the double-digit millions.



September

The business journals Bilanz and PME and the market research company Statista release their rankings of the **most innovative companies in Switzerland**. Endress+Hauser comes in among the top 20 overall and achieves third place in the electronics and industrial technology category. In Germany, FOCUS Business recognizes Endress+Hauser as an **Innovation Champion 2025**.

November

Endress+Hauser celebrates 30 years of ISO/IEC 17025 accreditation. This standard enables **calibration laboratories** to demonstrate their compliance with all regulatory requirements. For customers, the accredited laboratories are a guarantee that their measurement instruments are accurate and reliable.





Looking to the future with confidence:
Chief executive officer Dr Peter Selders (left) and
Supervisory Board president Matthias Altendorf.

Holding up successfully

2024 was a year of many challenges, with patchy economic conditions, global crises and political conflicts. But we held up successfully despite it all, achieving a slight increase in sales, maintaining our profits at high levels, investing on a record scale and creating new jobs worldwide. We owe this success to our customers for the trust they have placed in us, to our employees for their immense commitment and dedication, and to our owners for the long-term perspective that they afford us.

In 2024, after three years of double-digit growth, sales in our three major markets – the USA, China and Germany – were subdued, albeit for differing reasons. This was offset by our small and medium-sized sales centers. Regionally, our sales performance was very mixed: The Americas recorded good growth and Africa and the Middle East continued their strong upward trend, but sales in Europe and Asia were down overall.

Last year, we prepared intensively for our strategic partnership with SICK, which we have been implementing worldwide since the start of 2025. SICK's process analyzers and gas flowmeters, which are now being marketed exclusively via our sales network, complement our own offering perfectly and open new opportunities. The partnership gives us 800 new sales and service personnel, thereby expanding our expertise in gas analysis and measurement technology. In addition, we are driving innovation through a joint venture for development and production.

We expect that economic conditions will remain uneven in 2025, and we are anticipating far-reaching political upheavals with the potential to affect our business. Nevertheless, we are confident about the future. For 2025, we are aiming for sales growth in the middle single-digit percentage range. In addition, we intend to further expand and strengthen our global production and sales networks.

As we move forward, we will keep a close watch on developments and proceed with caution. At the same time, we will focus our efforts and attention on those factors that lie within our control – always with the aim of staying close to our customers and providing them with the best possible support. Global megatrends are fueling demand for measurement technology. We will continue to implement our tried and proven strategy and draw strength from our core values. And we will continue to have trust in our people because, together, we will always find the best solutions. Of that we have no doubt.



Matthias Altendorf
President of the Supervisory Board



Dr Peter Selders
CEO of the Endress+Hauser Group

The Supervisory Board of the Endress+Hauser Group (from left): Thomas Bachmann, Steven Endress, Dr Heiner Zehntner (secretary), Mathis Büttiker (vice president), Antonietta Pedrazzetti, Matthias Altendorf (president), Sandra Genge, Thomas Kraus and Michael Zieseemer.



Statement of the Supervisory Board

After three years of strong growth in incoming orders and sales, Endress+Hauser's performance in 2024 was only modest. Nevertheless, we managed to make good use of opportunities and successfully develop our company despite an environment with a wide range of challenges. I would like to express my heartfelt thanks to our employees around the world and to the Group's management, both personally and on behalf of the Supervisory Board and the Endress family.

The changes at the top of the Group, which had been prepared for a long time and announced well in advance, took effect at the beginning of 2024. The people involved have quickly settled into their new roles. In addition to issues arising from economic and global political events, we were particularly occupied with the strategic partnership with German sensor manufacturer SICK, which we signed in the middle of last year following a thorough assessment in order to implement it in 2025.

The Supervisory Board of Endress+Hauser AG once again dealt with all of the Group's significant business activities in 2024. The board held a total of seven meetings. The specialist committees, whose responsibilities we had adjusted in the year before, met as required and developed



recommendations that were presented to the entire board. The president of the Supervisory Board had regular discussions with the CEO and the family throughout the year and closely accompanied the work of the Executive Board.

Effective 15 April 2024, there has been a change on the Supervisory Board. Dr Hans Jakob Roth stepped down at his own request but will continue to serve Endress+Hauser in an advisory role. Thomas Bachmann, born in 1959, has been newly appointed to the board. A Swiss citizen with a degree in mechanical engineering, Bachmann brings extensive experience as a CEO in both international family businesses and publicly traded industrial groups.

This report discloses the financial figures of the operating group of companies without the influence of the strategic financial resources of our family business. PricewaterhouseCoopers AG in Basel, Switzerland, audited the 2024 consolidated financial statements of Endress+Hauser Management AG in February and March 2025 and recommended them for approval. The consolidated financial statements of Endress+Hauser Management AG and Endress+Hauser AG were given final approval by the respective annual general meetings on 7 April 2025.

Matthias Altendorf
President of the Supervisory Board

The Executive Board of the Endress+Hauser Group (from left): Chief human resources officer Jörg Stegert (until 31 January 2025), chief financial officer Dr Luc Schultheiss, chief executive officer Dr Peter Selders, general counsel Dr Heiner Zehntner, chief sales officer Laurent Mulley, chief operating officer Dr Andreas Mayr and chief information officer Pieter de Koning.



Change at the top

The long-announced change at the top of the Endress+Hauser Group has been completed. Matthias Altendorf (born 1967) took over as president of the Supervisory Board with effect from 1 January 2024, following the retirement of Dr Klaus Endress. Mr Altendorf has worked for Endress+Hauser for over 35 years. His successor as CEO, also effective from 1 January 2024, is Dr Peter Selders (born 1971). Mr Selders, who holds a doctorate in physics, has worked at Endress+Hauser since 2004 and has headed the competence center for level and pressure measurement technology since 2019.



Changes on the Supervisory Board

Klaus Endress remains chairman of the Family Council, the most important link between the family and the company, but no longer has an active role in the business. The shareholder family continues to have two members on the Supervisory Board: Sandra Genge, who has been on the board since 2022, and Steven Endress, who joined on 1 January 2024. Both are grandchildren of the company founder, Dr Georg H Endress, and his wife, Alice Endress-Vogt. The new vice president of the Supervisory Board, effective from 1 January 2024, is Mathis Büttiker, who has served on the board since 2017.

There has been a further change on the Supervisory Board: Dr Hans Jakob Roth, a member since 2016, resigned from the board with effect from 15 April 2024. He is replaced by Thomas Bachmann (born 1959). Mr Bachmann, who is a Swiss citizen and holds a degree in mechanical engineering, has many years of experience in CEO roles at international family-owned companies and publicly listed industrial corporations.

Group management report

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Management report of the operating Endress+Hauser Group

Endress+Hauser held up successfully in a difficult environment in 2024. Although hopes of an economic upturn in the second half of the year were not fulfilled, the Group achieved growth in its operating business and maintained its profit after tax at a high level. The company invested more than ever before and created new jobs worldwide.

The Endress+Hauser Group

Corporate profile

Endress+Hauser supports customers in the process industry to improve their products and to manufacture them even more efficiently. Our core expertise lies in the fields of process and laboratory instrumentation. With our products, solutions and services, we enable our customers to design safe, reliable, efficient and eco-friendly processes across the entire life cycle.

Our offering for instrumentation and process automation includes products, solutions and services for flow, level, pressure, temperature and analytical measurements. Most of our commercial customers operate in the food & beverage, chemical, water & wastewater, oil & gas, life sciences, mining, minerals & metals and power & energy industries. They value our deep understanding of their applications and the special requirements of their industry.

In laboratory measurement and automation, under the Analytik Jena brand we market analytical instruments and bioanalytical systems that we also supply to science and research customers.

Sensors and sensor modules are the domain of Innovative Sensor Technology IST. These physical, chemical and biological sensors are being used within and beyond process automation.

Structure of the operational Group

These subgroup financial statements were prepared at the Endress+Hauser Management AG level, thus comprising the entire operational group of companies, which consisted of 130 companies in 54 countries at the end of 2024. The Group's ultimate parent company, and the parent company of Endress+Hauser Management AG, is Endress+Hauser AG. Both are located in Reinach, Switzerland.

Our production centers bundle knowledge from research, development, production, product marketing, quality assurance and logistics. The Endress+Hauser sales centers act as the face of the company when it comes to the market and customers. In collaboration with our representatives, they are responsible for worldwide sales, marketing and services.

Production centers and sales centers are legally independent business units, as are the support and holding companies that perform cross-corporate functions. Some companies – namely Analytik Jena and Innovative Sensor Technology IST – also have shared production, sales and support structures.

Group management lies in the hands of the Executive Board of Endress+Hauser AG, chaired by the CEO. Business and organizational regulations define the competencies and responsibilities of the Executive Board and the independent Supervisory Board.

Strategy and values

Our vision describes the high-level, long-term goal of the company: we strive to be a successful family company. Customers around the world trust and rely on our products, solutions and services to improve their processes and thus their products when it comes to lab and process measurement technology and automation. And from our mission we formulate a mandate: We support our customers to improve their products and to manufacture them even more efficiently.

After three years of strong growth, 2024 was a year of consolidation for Endress+Hauser.





1

1
Customers around the world value Endress+Hauser for the quality of its products.

2
Competent and committed employees in all areas are key to the company's success.

3
The situation in the procurement markets has eased again in 2024.

4
Endress+Hauser delivered almost three million sensors last year.

2



3



4

Guided by our vision and mission, our Strategy 2027+ gives us direction as we head into the future. It outlines strategic approaches for seven fields of activity on which we intend to work intensively over the coming years to continue to meet our customers' expectations. Our Group companies have adopted their own individual strategies from Strategy 2027+. These are implemented through initiatives and projects along our business processes, which we standardize and coordinate across the Group.

Endress+Hauser is founded on a corporate culture firmly rooted in the company. Fundamental principles and values have been recorded in the Spirit of Endress+Hauser. In addition, a binding Endress+Hauser Code of Conduct has been implemented across the Group. A Brand Guide raises our employees' awareness of the importance of the Endress+Hauser brand and how to implement it correctly.

Technology and innovation

Last year we launched 81 new products and 1,700 device options among our markets and customers. We applied for 285 patents at patent offices around the world. This is clear evidence of Endress+Hauser's strong focus on innovation. More than 9,000 active patents and patent applications protect our intellectual property.

In 2024, we spent 275.6 million euros, an increase of 3.0 percent compared with the previous year, on research & development. This equates to 7.4 percent of our consolidated sales. More than 1,300 of our employees are working on the development of new products, solutions and services. What's more, process improvements in manufacturing, logistics, IT and administration

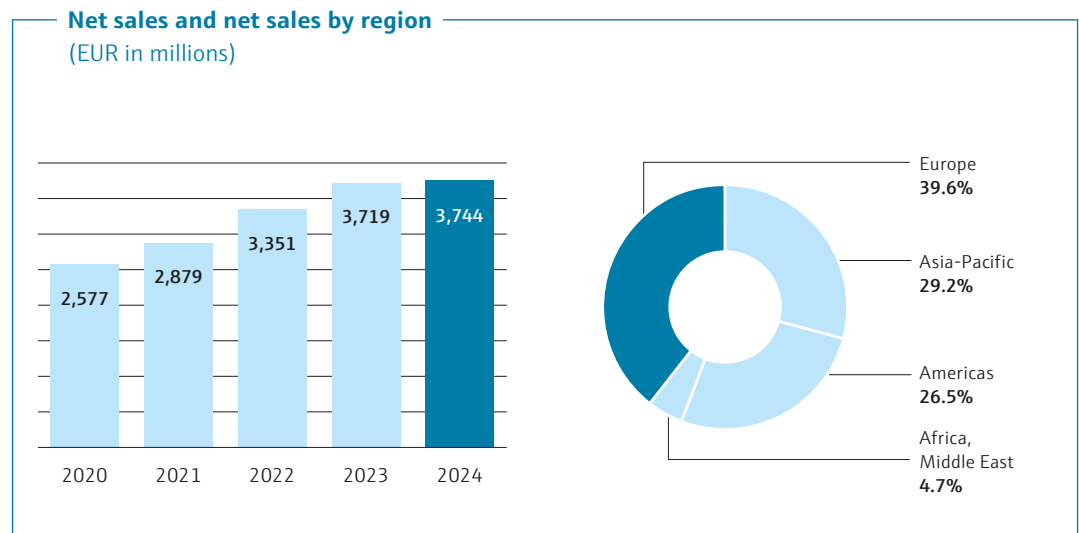
also contribute significantly to our Group's success. We acknowledge these efforts through recognition and incentives across all areas of our business operations.

Following the digitalization of measurement technology, firmware, connectivity and the integration capability of our instruments are crucial, as are software-based solutions and services. Cloud applications and artificial intelligence are also increasingly being used. Another focus of our innovative activities is the analysis and measurement of substance properties.

Market development

Business environment

In its January update of the World Economic Outlook, the International Monetary Fund (IMF) puts the growth of global economic output in 2024 at 3.2 percent (following 3.3 percent in the previous year). According to the experts, the global economy remains stable, even if the degree of stability varies greatly from country to country. The decline in inflation rates is continuing worldwide, although according to the IMF there are signs that this trend is beginning to slow down in some countries. Uncertainty in economic policy has increased significantly; geopolitical tensions, including in the Middle East, and global trade conflicts persist.



According to the IMF, economic output in industrialized nations rose by an average of 1.7 percent in 2024, the same rate as in the previous year. The United States reported an increase of 2.8 percent and the eurozone 0.8 percent. At -0.2 percent, Germany remained in recession. In emerging and developing countries, the economic output expanded on average by 4.2 percent in the same period, a slightly decreased rate compared with 2023. According to the IMF, China recorded a growth rate of 4.8 percent and India a rate of 6.5 percent.

Market trends

The German Electro and Digital Industry Association (ZVEI) is forecasting a 6.1 percent decline in sales and a 9.1 percent drop in incoming orders for the industry as a whole in 2024. The downward momentum was mitigated by the export business and in particular by markets outside the eurozone. Figures for the measurement and control technology segment were not yet available at the time of editorial deadline in mid-March 2025. According to an economic report published by ZVEI Automation Section in February 2025, incoming orders and sales in the process automation sub-sector were both down one percent in 2024 as a whole.

Competition

Suppliers of process control systems in particular have recently been preparing their businesses for the challenges of digitalization through acquisitions. In our closer market segment of process measurement technology, the competitive situation is almost unchanged. Competition is especially strong in individual areas of activity; more local providers are becoming visible in emerging countries. In addition, suppliers in the field of factory automation are increasingly establishing themselves in the market for process sensor technology, particularly serving the lower product segments.

Endress+Hauser in the marketplace

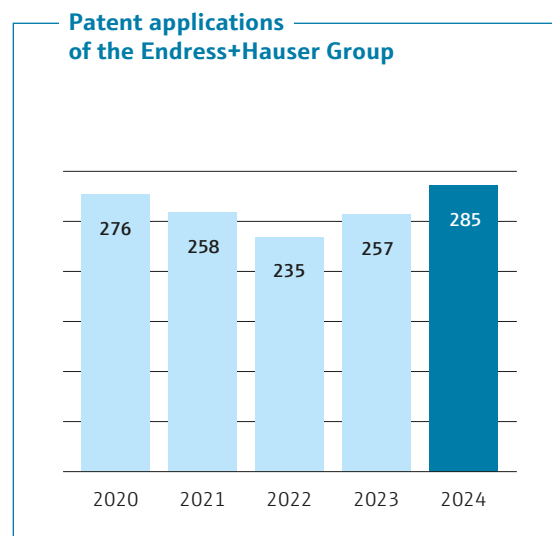
After three years of strong growth, 2024 has been a year of consolidation for Endress+Hauser. For the first time in a long while, incoming orders fell slightly behind the Group’s sales. Our hopes that economic momentum would recover in the second half of the year were not fulfilled. Our three largest markets – the USA, China and Germany – performed particularly weakly; however, we were able to compensate for this with good figures from many smaller and medium-sized markets. Nevertheless, the picture is very inconsistent across the various regions and countries.

Europe was down overall, mainly due to the slight decline in sales in Germany. Individual markets, including Italy and France, performed well, while the UK market was very strong. Momentum in Asia was slowed by influences from China, despite a number of countries, including India and Japan, recording good growth. After years of great market success, the USA contributed little to the positive development on the American continent in 2024. Canada, Argentina and Brazil, on the other hand, achieved high growth rates. Both South Africa and the Middle East developed dynamically last year.

In terms of our strategic industries, food & beverage and power & energy showed the strongest development in 2024. The water & wastewater and mining, minerals & metals sectors performed above average, while life sciences and oil & gas developed at an average level. The chemical industry was the only segment to record a significant decline, driven by the downturn in Europe.

Regarding our fields of activity, pressure measurement and advanced analysis achieved the highest growth rates. Flow measurement and liquid analysis developed solidly, while sales in the level and temperature measurement segments declined slightly in 2024. Our service business also grew strongly last year. In addition, we achieved above-average growth in the project and solutions business.

While our process automation business developed positively last year, we again recorded a downturn in sales in the laboratory automation business following the end of the pandemic-related surge in demand. Our sensor business, which supplies different industries, proved robust at its core, but nevertheless also declined. We remain focused on our strategic goal of supporting customers from the laboratory through to the process.





Endress+Hauser fosters a culture of cooperation. We are convinced that together we can find better answers to the challenges we face.

Corporate development

General development

Despite all the uncertainties in 2024, we continued to drive forward the long-term development of the Group, continued our major investment projects around the world as planned and initiated a strategic partnership with the German sensor manufacturer SICK. We managed to create new jobs in many areas and have increased our commitment to training young people.

Despite cost increases, we were able to uphold operating profit at a high level. The operational Group's financial strength also remains unbroken. This reflects our goal of maintaining a balanced corporate development that equally serves the interests of our customers, employees and shareholders. At the same time, we uphold our responsibility towards the environment and society.

Establishment, acquisition and divestiture of companies

In the 2024 financial year, Endress+Hauser Flow France S.A.S.U. was established in France. There were no divestitures of subsidiaries.

Partnerships and initiatives

In order to address the challenges of digitalization, we are increasingly seeking to strengthen relationships with partners. We are one of the founding members of the Open Industry 4.0 Alliance as well as the Industrial Digital Twin Association. Both organizations aim to advance digitalization in the industry through standardized technology and integrable solutions. Moreover, we are a member of the European Clean Hydrogen Alliance, thus supporting the development of a clean and competitive hydrogen economy in Europe.

Economic indicators

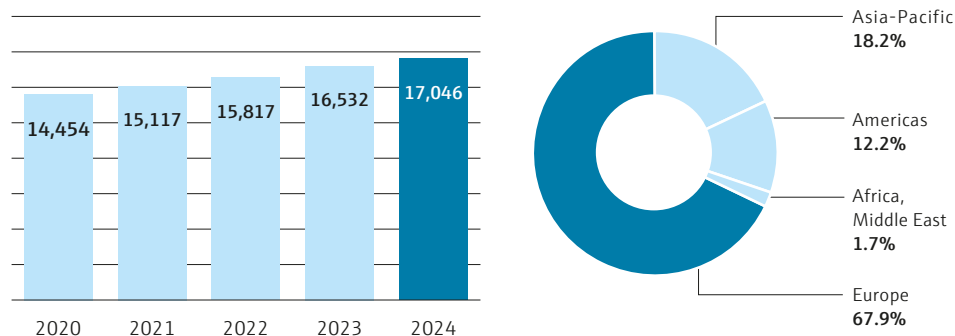
With an overall increase in net sales of 0.7 percent, we are below our own expectations in 2024. The operating margin – the ratio of operating profit to sales – slightly decreased to 15.0 percent. Return on sales was 14.1 percent, above our strategic target of 13.0 percent. The productivity factor fell somewhat compared with the previous year to a still very high figure of 1.41 and thus continues to exceed our target of 1.33. The equity ratio of the operational group was 53.3 percent.

Social and environmental indicators

Endress+Hauser strives to equally meet its economic, social and ecological responsibilities. As a family business, we think in generations, not fiscal quarters. We understand creation and preservation of secure jobs to be part of our corporate social responsibility. And as a company, we want to help combat climate change.

We created new jobs again in 2024, particularly in production. Our global workforce increased by 514 to 17,046, a gain of 3.1 percent. As usual, we were in a position to offer virtually every apprentice a permanent position upon completion of their vocational training. At the end of 2024, 636 young people in the entire Group were undergoing vocational training, were studying with Endress+Hauser at a university or university of applied sciences or were involved in our company as external students. This equates to a training ratio of 3.7 percent.

Employees of the Endress+Hauser Group



Well-trained professionals are key to the success of our company. At the same time, we also believe that our commitment to vocational training of young people is a way of demonstrating our social responsibility. Endress+Hauser aims to achieve a training ratio of five percent of the workforce in the long term. We have devised a concept to implement this project over the next few years.

We offer vocational training programs in some European countries and, more recently, in India and the USA. We want to roll out the concept to China in 2025. In addition, we sponsor talented and keen people in their engineering and business administration studies and seek cooperation with colleges and universities around the world at many levels.

This year we submit our eleventh sustainability report together with our Group management report (starting on page 75). We consider the EcoVadis benchmark a key indicator in this regard. In the past year, we maintained gold status in this audit. With 78 out of 100 points – our best result to date – we are among the top five percent of the 130,000 companies surveyed and thus met our strategic goal of positioning ourselves in this top segment.

Following the commitment to the Science Based Targets initiative (SBTi) in 2023, our climate targets were validated last year. We have committed to reducing greenhouse gas emissions to net zero by 2050, regardless of the development of our business. As near-term targets, we want to reduce our company's direct and indirect emissions (Scope 1 and 2) by 80 percent and emissions in the upstream and downstream value chains (Scope 3) by 35 percent by 2034, compared with the base year 2023.

Income statement in brief (EUR in thousands)

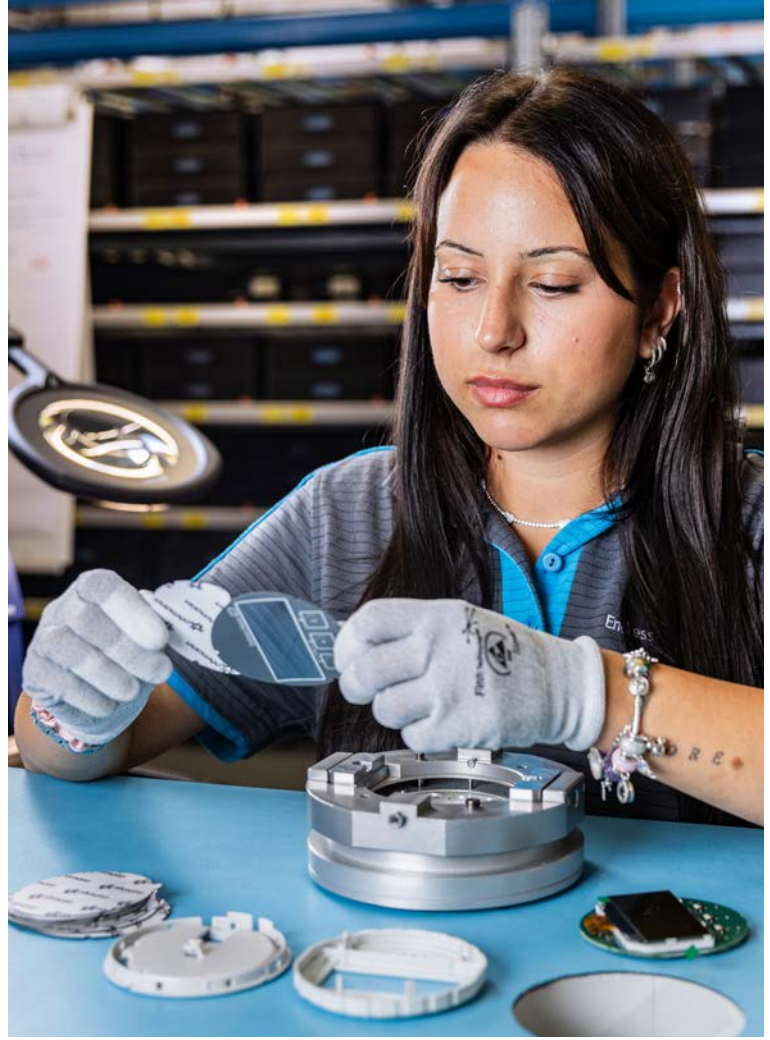
	2024	2023	Change	
Net sales	3,744,181	3,718,829	25,352	0.7%
Total operating expenses	-3,230,708	-3,200,387	-30,321	0.9%
Operating profit (EBIT)	561,873	573,048	-11,175	-2.0%
Result from associated companies	-8,780	-2,244	-6,536	
Net financial result	-26,073	-33,626	7,553	
Profit before taxes (EBT)	527,020	537,178	-10,158	-1.9%
Income taxes	-119,136	-128,439	9,303	-7.2%
Net income	407,884	408,739	-855	-0.2%

Balance sheet in brief (EUR in thousands)

	2024	2023	Change	
Non-current assets	1,836,747	1,673,130	163,617	9.8%
Inventories	580,014	619,861	-39,847	-6.4%
Accounts receivable	1,071,189	786,047	285,142	36.3%
Short-term financial assets	22,525	218,221	-195,696	-89.7%
Cash and cash equivalents	745,079	654,998	90,081	13.8%
Assets	4,255,554	3,952,257	303,297	7.7%
Equity	2,266,751	2,177,717	89,034	4.1%
Retirement benefit obligations	39,263	49,928	-10,665	-21.4%
Other non-current liabilities	163,331	146,572	16,759	11.4%
Trade accounts and notes payable	160,588	148,552	12,036	8.1%
Other current liabilities	1,625,621	1,429,488	196,133	13.7%
Equity and liabilities	4,255,554	3,952,257	303,297	7.7%

1
2024 Endress+Hauser created over 500 new jobs worldwide.

2
The Group's training ratio is to increase to five percent in the next few years.

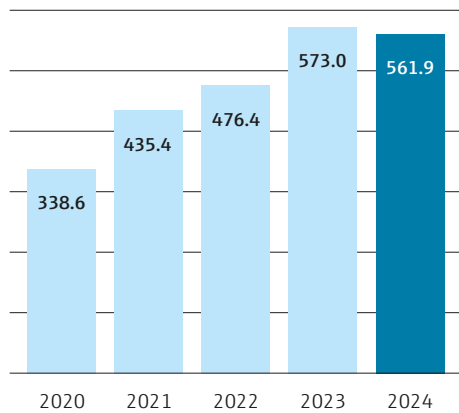


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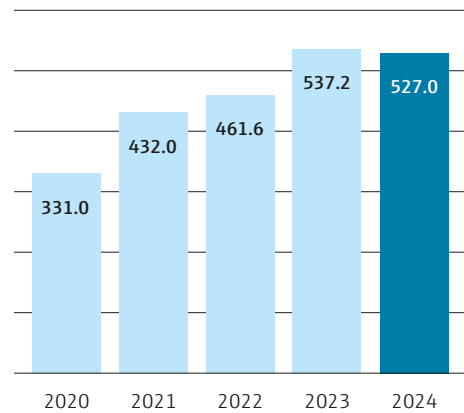


2

Operating profit (EBIT)
(EUR in millions)



Profit before taxes
(EUR in millions)



To identify key sustainability issues, in 2024 we performed our double materiality assessment with the support of external experts. With a view to future reporting requirements, we have added a sustainability reporting tool to our IT landscape that will make it easier for us to collect sustainability figures across our global company network with a high degree of consistency.

Results of operation, financial position and net assets

Sales performance

Net sales increased to 3.744 billion euros in 2024. Adjusted for exchange rate effects and excluding countries with high inflation, growth would have been 0.6 percent higher. We would have generated around 23 million euros more in sales at constant currencies.

Our revenue performance in 2024 varied across the regions. Our business fell by 0.9 percent in Europe and by 1.9 percent in Asia-Pacific. In the Americas, on the other hand, it grew by 4.2 percent, and in Africa and the Middle East by 13.3 percent. Sales in the process instrumentation sector increased by 1.1 percent. As expected, sales in the sensors segment fell by 11.9 percent due to changes in the order structure. In the laboratory business, we recorded a decline of 5.2 percent following the end of pandemic-related demand.

Consolidated income statement

Operating profit (EBIT) decreased by 2.0 percent to 561.9 million euros. Operating expenses increased slightly above average compared with consolidated sales, rising by 0.9 percent to 3.231 billion euros.

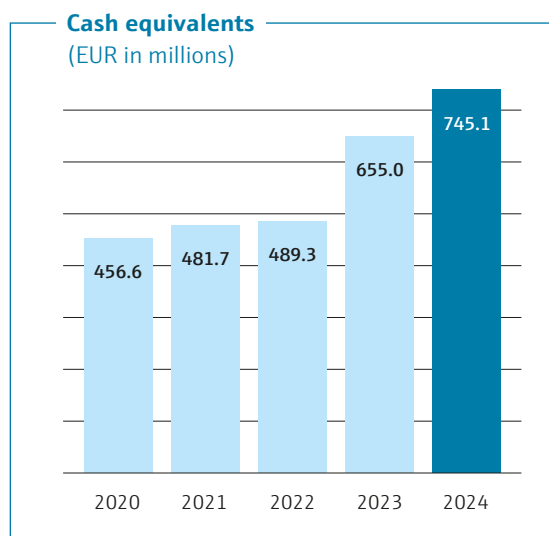
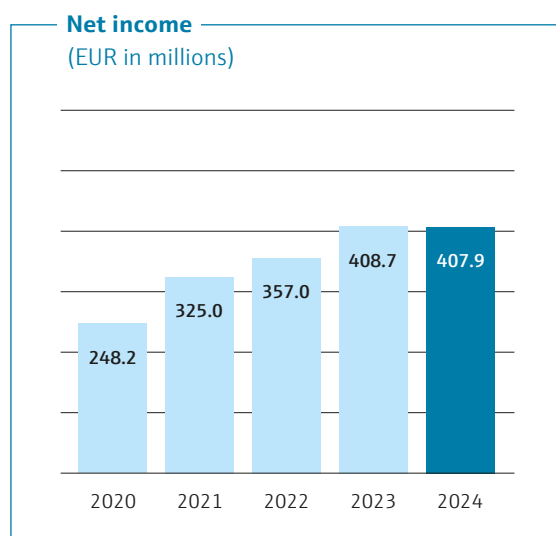
Personnel expenses grew by 1.2 percent to 1.374 billion euros due to the higher headcount. Expenses for purchased goods and services increased by 1.3 percent to 1.044 billion euros. Other operating expenses rose by 1.9 percent to 642.5 million euros. Depreciation and amortization fell by 5.7 percent to 170.0 million euros following the absence of special factors.

Profit before taxes (EBT) decreased by 1.9 percent to 527.0 million euros. At 21.7 million euros, net foreign exchange losses were lower than in 2023 (29.8 million euros). Net interest income was negative at -5.2 million euros. Due to the transfer of strategic liquidity to a Group company outside the scope of consolidation of the operating group, the result from financial assets is insignificant at 0.9 million euros.

As an effect of the decrease in the effective tax rate to 22.6 percent, our net income came to 407.9 million euros, 0.2 percent less than in the previous year.

Consolidated balance sheet

Exchange rate effects are only reflected to a small extent in our consolidated balance sheet. Non-current assets increased by 9.8 percent to 1.837 billion euros in 2024. Tangible fixed assets reached 1.527 billion euros at the end of the year, 13.5 percent more than in 2023, a consequence of extensive investment activities. Long-term financial assets slightly increased by 1.8 million euros to 5.5 million euros.



Current assets increased by 6.1 percent to 2.419 billion euros. Due to advance payments made as part of the strategic partnership with SICK, short-term financial assets decreased by 195.7 million to 22.5 million euros, while other accounts receivable increased by 239.2 million to 373.2 million euros. Cash and cash equivalents grew by 13.8 percent to 745.1 million euros. In view of the easing on the procurement markets, we reduced inventories by 6.4 percent to 580.0 million euros. Trade accounts receivable rose, contingent upon closing date, by 7.6 percent to 686.7 million euros.

After dividend payments to the parent company, equity of the operating group grew by 4.1 percent to 2.267 billion euros. At the same time, total assets increased by 7.7 percent to 4.256 billion euros as a result of the high investments and the increase in operational liquidity. As a consequence, the equity ratio fell by 1.8 points to 53.3 percent, a highly respectable figure for our industry.

Pension obligations of the Group companies in Germany fell from 49.9 million euros to 39.3 million euros as a result of the slight increase in discount rates. Long- and short-term provisions fell by 12.9 percent to 213.8 million euros due to lower provisions for variable salary components.

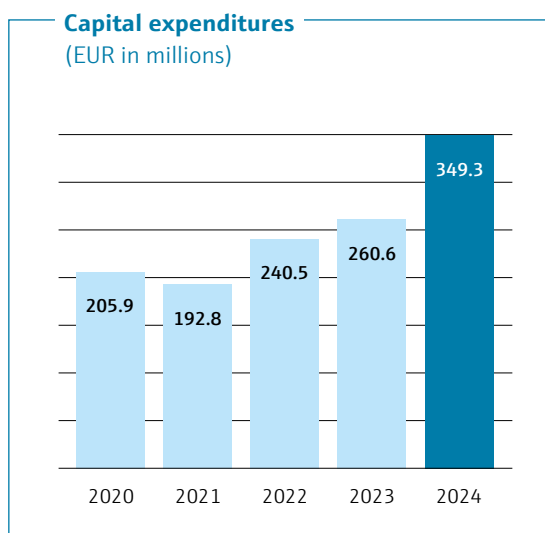
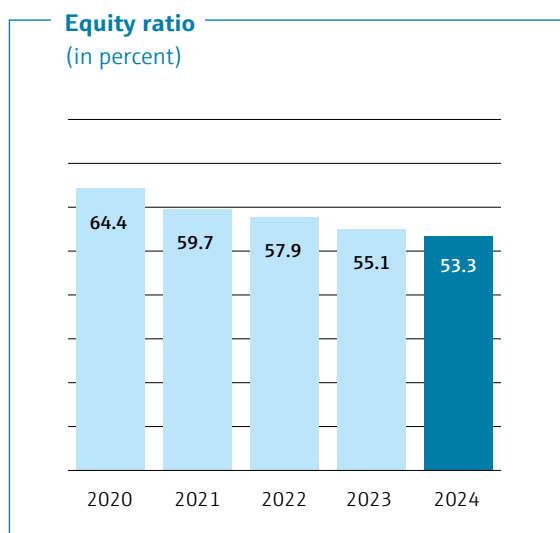
Bank loans increased somewhat to 0.4 million euros. We only use this instrument if internal funding is impossible or does not seem sensible. Short-term loans include loans from affiliated companies amounting to 1.193 billion euros that Endress+Hauser AG granted to Endress+Hauser Management AG. Our total liabilities increased by 12.1 percent to 1.989 billion euros.

The healthy financial situation of the operational group is also shown in a still strong cash flow from operating activities, amounting to 288.7 million euros despite high advance payments made as part of the strategic partnership with SICK.

Capital expenditure

Last year we invested 349.3 million euros in buildings, plant and machinery, software and information technology, 34.1 percent more than the previous year. In total, investments over the past five years amounted to 1.249 billion euros. Despite the prevailing economic and political uncertainties, we continued all major projects as intended. This allowed us to further strengthen our sales and production network throughout the world.

We inaugurated two construction projects last year. In Arlesheim, Switzerland, we have turned the former home of our company founder Georg H Endress and his wife Alice into a guest house that can be used by employees of our company and members of the owner family for overnight stays and seminars. At our company campus in Chhatrapati Sambhajnagar (formerly Aurangabad), India, we have constructed new production buildings for the manufacture of flow, liquid analysis and temperature measurement instruments as well as system products. We have also opened new regional logistics hubs in cooperation with partners in China and India.





1

- 1 Endress+Hauser places a high value on sustainable building concepts for new construction projects.
- 2 Energy-efficient technology and the use of renewable energy are helping us to achieve our climate goals.
- 3 Endress+Hauser can support customers to operate their plants in a resource-efficient and eco-friendly manner.



2

3



Supplemental report

Events after the end of the financial year

Endress+Hauser and SICK AG have entered into a strategic partnership in the area of process automation, which came into effect at the beginning of 2025. We are thus expanding Endress+Hauser's comprehensive range of process instrumentation with advanced process analysis and gas flow measurement technology. As a result, customers receive more products from a single source and benefit from increased expertise in gas analysis and gas measurement technology. The aim of this cooperation is to provide plant operators with even better support for increasing efficiency, protecting the environment and reducing their carbon footprint.

The process analysis and gas flow measurement technology from SICK will now be offered exclusively by Endress+Hauser, which includes some 800 experienced and qualified SICK sales and service employees in 42 countries joining Endress+Hauser. Around 600 employees transferred to Endress+Hauser sales and support centers on 1 January 2025. The transition of around 200 employees in China took place on 1 March 2025 for technical reasons. The Chinese company was acquired by way of a share deal. Asset purchase agreements were signed for all other countries. Advance payments of around 240 million euros were made in December 2024.

The production and further development of process analyzers and gas flowmeters will be the task of a joint venture in which both partners have each held a 50 percent stake since 1 March 2025. Endress+Hauser SICK GmbH+Co. KG employs around 730 people at several sites in Germany and will closely collaborate with Endress+Hauser production centers to drive product innovation and meet changing market demands.

There were no other significant events after the end of the financial year.

Risk report

Risk management

On principle, Endress+Hauser takes only calculable risks when making business decisions. According to the principles of corporate governance, we established an Internal Control System (ICS), designed to meet the needs of our company.

The company attempts to reduce uncertainty resulting from economic and sector-related developments, fluctuations in exchange rates, political events of worldwide significance or natural disasters by means of broad-based support in the market in terms of industries, regions and customer segments as well as products, solutions and services.

The Supervisory Board plays an important role as a supervisory body and supports the work of the Executive Board constructively, thus increasing the quality of all fundamental business decisions.

Risks for the company

In accordance with its risk-management guidelines, we raise awareness of business risks at all levels and encourage all employees to avoid and minimize unnecessary risk. A Group standard for Business Continuity Management has been introduced. The Group management regularly conducts risk assessments. Appropriate coverage is provided in terms of essential liability and claims risks. Beyond already posted provisions, there are currently no significant risks from legal cases.

We reduce financial risks from exchange and interest rates with the aid of derivative hedging instruments. Explanations of our financial risk management can be found in our accounting policies. Manufacturing close to customers in the various regions of the world reduces the impact of exchange rate fluctuations. These production sites mainly invoice in the local currencies.

A consistent IT security concept guarantees an exceptionally high level of protection from loss of data and cybercrime. Environmental and security risks connected with our activities and our production sites are negligible.

Report on opportunities

Opportunity management

Opportunities for the company arise from its strategic focus, economic development, the outcomes of its research & development work and the performance and achievements of the company's employees. In all these areas Endress+Hauser pursues systematic approaches to safeguard sustained business success.

Opportunities for the company

Our broad-based focus allows us to partake in the growth of varied industries in the process industry. The worldwide presence of sales and production makes sure that we remain dynamic as a business, especially in emerging countries. In addition, our independence as a family-owned business and our financial strength help us to consistently pursue the implementation of our strategic goals.

To ensure that enough suitable and dedicated employees, apprentices and trainees find their way to us, we rely on activities at many levels to make Endress+Hauser a more attractive employer, according to the needs of our locations. These activities include our Group-wide initiatives to more than double the training ratio as well as continuous investments in up-to-date education and training programs, targeted measures for a better work-life balance and retirement models tailored to the needs of the employee.

Our close cooperation with select universities, colleges and research facilities, as well as wide-ranging activities in research & development, keep our powers of technological innovation at a high level. In addition to conventional innovation management, we strive to develop new competencies outside our established structures with the help of start-ups and corporate venturing. These new entities are designed to serve over time as innovation incubators for the entire company. At the same time, we are seeking strategic partnerships to gain access to new technologies and expand our portfolio in a useful manner.

Opportunities for our company in the medium and long term in particular lie in decarbonization and digitalization. To decarbonize the industry, production processes have to be optimized, adapted and newly implemented, which in turn requires an increased use of automation technology. Digitalization – in our devices, in collaboration with our customers and in our internal processes – enables us to take advantage of efficiency potential along the entire value chain. We also aim to achieve above-average growth through an increased use of advanced analysis in process engineering applications.

Report on expected developments

Business environment

The International Monetary Fund (IMF) forecasts global growth of 3.3 percent for 2025, a figure below the historical average of 3.7 percent for the years 2000 to 2019. For the advanced economies, experts expect that economic growth will increase slightly to 1.9 percent in 2025. The eurozone is expected to continue to recover slightly at 1.0 percent, Germany is anticipated to come out of recession with growth of 0.3 percent and dynamics in the USA are set to slow down somewhat with a plus of 2.7 percent. For emerging and developing countries, the IMF expects a stable increase in economic output of 4.2 percent. For China, the organization forecasts 4.6 percent growth, and the figure for India is 6.5 percent.

The IMF's forecasts do not reflect the latest political developments. A tightening of protectionist measures, for example in the form of a new wave of tariffs, could exacerbate trade tensions, reduce investment, diminish market efficiency, distort trade flows and once again lead to supply chain disruptions. Economic growth could be negatively affected both in the short and medium term, but to varying degrees in the individual economies.

Objectives of company development

According to the German Electro and Digital Industry Association (ZVEI), for the first time in six months the sector recorded a slight increase in incoming orders at the start of 2025. The momentum mainly came from the export business, and again from outside the eurozone. For the year as a whole, the ZVEI expects a further decline in production of around two percent for its member companies. However, in February 2025 companies in the measurement technology and process automation sector are more negative about their business expectations than the industry as a whole.

Endress+Hauser entered 2025 with fewer but still a good number of orders on hand compared with the previous year. Both incoming orders and net sales developed slightly positively in the first 10 weeks of the year (not including the additional business from the strategic partnership with SICK). With a view to the different markets, the picture remains highly inconsistent. While our sales center in the USA is above the previous year's figures, the sales companies in China and Germany are still below the comparative levels. Regardless of the uncertainty caused by current political developments, we are aiming for sales growth in the mid-single-digit percentage range in 2025.

Endress+Hauser supports customers in different industries and regions, which helps to balance out fluctuations in demand.



Our expectations are based on positive signals from many markets and sectors. In general, Endress+Hauser is active in areas that are highly relevant to society, irrespective of economic developments and geopolitical influences. Our products, solutions and services contribute to ensuring the supply of water, food, medication, energy and everyday necessities to a growing world population. In doing so, we help to utilize resources carefully and to protect climate and the environment. Against this backdrop, our strategy 2027+ is aimed even more closely at the constantly changing needs of markets and customers. Digitalization and the decarbonization of industrial manufacturing continue to provide significant impetus for our business.

Important projects

For the time being, 23 investment projects totaling 553.7 million euros have been approved by the Supervisory Board, mainly to be invested in the expansion of our production facilities over the coming years. Major projects in this concern are the future development of our site in Maulburg, Germany, two additional factory buildings in Suzhou, China, our corporate campus in Jena, Germany, the expansion of our plant in Waldheim, Germany, and a new production facility in Ilmenau, Germany.

As regards the sales side, new buildings are under construction in Cali, Colombia; Cernay, France; Greenwood, Indiana, USA; Istanbul, Türkiye; Philadelphia, Pennsylvania, USA; Mumbai, India; Shanghai, China; and Vienna, Austria.

General statement on corporate development

Thanks to our broad support base in terms of products, regions and industries, and owing to our sustainable strategic alignment, we see ourselves as well positioned even in an adverse environment. Our independence as a solidly financed family-owned company allows us to continue to guide the Group with a long-term perspective and further pursue key future projects. We are in a position to quickly make the necessary decisions. This is essential in view of the political upheavals and economic uncertainties we are facing.

We will remain very attentive in this situation and proceed with great caution. We will direct all our energy and focus on those things that are within our sphere of control – always with the aim of staying close to our customers and providing them with the best possible support. We want to continue to make good use of our opportunities and to develop our company in a successful way in the 2025 financial year.

Consolidated financial statements

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Consolidated balance sheet

Assets	Notes	EUR in thousands		CHF in thousands	
		Year ended 31 Dec 2024	Year ended 31 Dec 2023	Year ended 31 Dec 2024	Year ended 31 Dec 2023
Non-current assets					
Tangible fixed assets	11	1,527,268	1,346,013	1,433,891	1,249,571
Intangible assets	12	129,815	128,262	121,878	119,072
Investments in associated companies	13	21,181	29,909	19,886	27,766
Long-term financial assets	14	5,487	3,726	5,152	3,459
Deferred tax assets	21	95,672	102,279	89,823	94,951
Pension assets	22	57,324	62,941	53,819	58,431
Non-current assets		1,836,747	1,673,130	1,724,449	1,553,250
Current assets					
Inventories	15	580,014	619,861	544,552	575,448
Trade accounts receivable	16	686,706	638,312	644,721	592,577
Current income tax assets		11,245	13,726	10,557	12,743
Other accounts receivable	17	373,238	134,009	350,418	124,407
Short-term financial assets	14	22,525	218,221	21,148	202,585
Cash and cash equivalents	18	745,079	654,998	699,524	608,068
Current assets		2,418,807	2,279,127	2,270,920	2,115,828
Assets		4,255,554	3,952,257	3,995,369	3,669,078

The notes are an integral part of these consolidated financial statements.

Equity and liabilities		EUR in thousands		CHF in thousands	
		Year ended 31 Dec 2024	Year ended 31 Dec 2023	Year ended 31 Dec 2024	Year ended 31 Dec 2023
	Notes				
Equity					
Share capital		14,842	14,842	22,000	22,000
Other reserves		333,162	336,590	312,792	312,473
Retained earnings		1,911,137	1,818,122	1,786,225	1,679,632
Capital and reserves attributable to shareholders		2,259,141	2,169,554	2,121,017	2,014,105
Non-controlling interest		7,610	8,163	7,145	7,578
Equity		2,266,751	2,177,717	2,128,162	2,021,683
Liabilities					
Long-term loans	19	60,423	51,338	56,729	47,660
Deferred tax liabilities	21	27,388	30,190	25,713	28,027
Retirement benefit obligations	22	39,263	49,928	36,862	46,351
Long-term provisions	23	75,327	64,840	70,722	60,194
Other long-term liabilities	24	193	204	181	189
Non-current liabilities		202,594	196,500	190,207	182,421
Short-term loans	19	1,217,458	939,810	1,143,023	872,473
Trade accounts and notes payable	19	160,588	148,552	150,770	137,908
Current income tax liabilities		50,245	77,107	47,173	71,583
Short-term provisions	23	138,429	180,468	129,965	167,537
Other short-term liabilities	24	219,489	232,103	206,069	215,473
Current liabilities		1,786,209	1,578,040	1,677,000	1,464,974
Liabilities		1,988,803	1,774,540	1,867,207	1,647,395
Equity and liabilities		4,255,554	3,952,257	3,995,369	3,669,078

The notes are an integral part of these consolidated financial statements.

Consolidated income statement

	Notes	EUR in thousands		CHF in thousands	
		2024	2023	2024	2023
Net sales	6	3,744,181	3,718,829	3,566,258	3,609,607
Change in inventories		2,075	4,331	1,976	4,204
Own work capitalized		13,382	12,028	12,746	11,675
Other operating revenues		32,943	38,247	31,379	37,124
Purchased goods and services		-1,044,002	-1,030,835	-994,391	-1,000,560
Personnel expenses	7	-1,374,207	-1,358,492	-1,308,905	-1,318,593
Depreciation and amortization		-170,011	-180,339	-161,932	-175,042
Other operating expenses	8	-642,488	-630,721	-611,957	-612,197
Total operating expenses	9	-3,230,708	-3,200,387	-3,077,185	-3,106,392
Operating profit (EBIT)		561,873	573,048	535,174	556,218
Result from associated companies	13	-8,780	-2,244	-8,363	-2,178
Net financial result	10	-26,073	-33,626	-24,834	-32,638
Profit before taxes (EBT)		527,020	537,178	501,977	521,402
Income taxes	21	-119,136	-128,439	-113,476	-124,667
Net income		407,884	408,739	388,501	396,735
Attributable to					
Shareholders		408,158	409,354	388,762	397,332
Non-controlling interest		-274	-615	-261	-597
		407,884	408,739	388,501	396,735

The notes are an integral part of these consolidated financial statements.

Consolidated comprehensive income

	Notes	EUR in thousands		CHF in thousands	
		2024	2023	2024	2023
Net income		407,884	408,739	388,501	396,735
Other comprehensive income					
Remeasurements of pension assets/defined benefit obligations	22	-6,868	-26,634	-6,542	-25,852
Income taxes thereon	21	-1,073	5,537	-1,022	5,374
Items that can not be reclassified to net income		-7,941	-21,097	-7,564	-20,478
Gains (+) or losses (-) from translating the financial statements of foreign subsidiaries	2.4	4,759	27,166	4,533	26,368
Items that can be reclassified to net income		4,759	27,166	4,533	26,368
Other comprehensive income		-3,182	6,069	-3,031	5,890
Comprehensive income		404,702	414,808	385,470	402,625
Attributable to					
Shareholders		404,730	415,671	385,497	403,463
Non-controlling interest		-28	-863	-27	-838
		404,702	414,808	385,470	402,625

The notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

All amounts in EUR thousands	Share capital	Other reserves	Retained earnings	Capital and reserves attributable to shareholders	Non-controlling interest	Equity
Balance at 31 Dec 2022	14,842	330,273	1,667,344	2,012,459	17,816	2,030,275
Net profit for the period			409,354	409,354	-615	408,739
Change in non-controlling interest			1,540	1,540	-8,666	-7,126
Dividend payments			-260,116	-260,116	-124	-260,240
Currency translation differences		27,414		27,414	-248	27,166
Actuarial gains and losses		-21,097		-21,097		-21,097
Balance at 31 Dec 2023	14,842	336,590	1,818,122	2,169,554	8,163	2,177,717
Net profit for the period			408,158	408,158	-274	407,884
Change in non-controlling interest			-176	-176	-369	-545
Dividend payments			-314,967	-314,967	-156	-315,123
Currency translation differences		4,513		4,513	246	4,759
Actuarial gains and losses		-7,941		-7,941		-7,941
Balance at 31 Dec 2024	14,842	333,162	1,911,137	2,259,141	7,610	2,266,751

The share capital is fully paid and composed of 22,000 registered shares with a par value of 1,000 CHF per share.
A dividend of 315.0 EUR millions was distributed to Endress+Hauser AG in the 2024 financial year.
The notes are an integral part of these consolidated financial statements.

Consolidated cash flow statement

All amounts in EUR thousands	Notes	2024	2023
Cash flow from operating activities			
Net income		407,884	408,739
Depreciation and amortization	11, 12	170,011	180,339
Income taxes	21	119,136	128,439
Result from associated companies	13	8,780	2,244
Net financial result net of foreign exchange gains (+)/losses (-)		4,360	3,871
Result on sale of assets and investments		-1,148	3,737
Change in provisions		-32,082	14,906
Other non-cash items		-15,749	70,240
Change in inventories, trade accounts receivable and other current assets		-211,028	-90,020
Change in trade payables and other liabilities		-22,171	-14,360
Income taxes paid		-139,286	-141,241
Cash flow from operating activities		288,707	566,894
Cash used in investing activities			
Purchase of fixed assets		-312,238	-233,518
Investments in financial assets		-548,544	-195,136
Disposals of fixed assets		8,630	6,742
Disposals of financial assets		718,233	114,332
Interest received		9,812	8,095
Cash used in investing activities		-124,107	-299,485
Free cash flow		164,600	267,409
Cash flow from financing activities			
Acquisition of non-controlling interests		-545	-7,126
Dividends paid		-315,123	-260,240
Proceeds from loans		467,728	277,467
Repayments of loans		-186,164	-70,512
Interest paid		-15,060	-11,692
Payments for the principal portion of lease liabilities		-26,484	-26,674
Cash flow from financing activities		-75,648	-98,777
Effects of exchange rate changes on cash and cash equivalents		1,129	-2,967
Changes in cash and cash equivalents		90,081	165,665
Cash and cash equivalents at beginning of year		654,998	489,333
Cash and cash equivalents at end of year		745,079	654,998

The notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

This financial report is a translation from the original German version. In case of any inconsistency the German version shall prevail.

1. General information

The Endress+Hauser Group (the Group) is a global leader in measurement instrumentation, services and solutions for industrial process engineering.

The ultimate parent company of the Group is Endress+Hauser AG, which is a stock company and is incorporated and domiciled in Reinach, Switzerland. Endress+Hauser AG is the parent company of Endress+Hauser Management AG, which is incorporated and domiciled in Reinach, Switzerland too.

These subgroup financial statements (the Group) are prepared at the level of Endress+Hauser Management AG (the company).

2. Accounting policies

2.1 Accounting standards

The consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards, hereinafter referred to as IFRS) as issued by the International Accounting Standards Board. As the Company is not publicly listed, the Group is not required to publish segment reporting.

The Group has adopted all standards and interpretations applicable as per 31 December 2024. There are no new IFRSs or IFRIC interpretations that are effective for the first time for the financial year 2024 that have a material impact on the net assets, financial position and earnings performance of the Group.

IFRS 18 "Presentation and Disclosure in Financial Statements" is to be applied retrospectively from 1 January 2027. The adoption of this standard leads to some changes, particularly in the presentation of items in the income statement and in other comprehensive income, but also in the presentation of items in the balance sheet and the cash flow statement. The Group has started to assess the impact of the adoption of IFRS 18. It assumes that the changes introduced by IFRS 18 will not have any material impact. No major impact is expected from application of other changed or new standards or

interpretations that will apply in future on the net assets, financial position and earnings performance or cash flow statement. The Group has not early adopted any amendment or new standard or interpretation.

2.2 Principles and method of consolidation

Subsidiaries Subsidiaries are all companies over which the Group has control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and deconsolidated from the date that control ceases. Newly acquired companies are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The cost of an acquisition is measured at the fair value of the assets and liabilities acquired. Acquisition-related costs are expensed as incurred. Identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

The financial statements of the companies included in the consolidation have been prepared using the historical cost convention, with the exception of financial assets and financial liabilities (including derivative instruments), and applying uniform presentation and valuation principles. The financial statements of the subsidiaries and the Company are prepared as of the same reporting date. Financial assets and financial liabilities (including derivative instruments) have been recorded at fair value.

Intercompany liabilities, assets, revenues and expenses within the Group and all intercompany profits are eliminated.

Non-controlling interests of third parties are shown separately in the balance sheet, income statement and statement of comprehensive income.

Associated companies Associates are all entities over which the Group has significant influence but not control. Investments in associated companies and joint ventures are accounted for using the equity method. These investments are initially recognized at cost. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, the Group does not recognize further losses, unless the Group has incurred obligations or made payments on behalf of the associated company.

Other investments Other investments are reported as long-term financial assets.

2.3 Recognition of income and expenses

Revenues for goods and services are recognized in line with the requirements of IFRS 15 “Revenues from Contracts with Customers”, based on the consideration the Group expects to receive in exchange for the products or services. Revenue from sales of products is recognized in the income statement when control has been transferred to the buyer, which is usually upon delivery, at a fixed price, and when collectability is reasonably assured. Delivery is defined based on the terms of the sale contract. Revenue from services is recognized when the respective services have been rendered. The regular case for solutions projects is that the products and services can be treated as separate performance obligations and the revenue is recognized at a point in time. Only as exception is the obligation satisfied over time and the revenue recognized according to the stage of completion. Revenue is reported net of sales taxes, returns, discounts and rebates. Discounts and rebates to customers are recognized as sales deductions in the same period as the corresponding sales and are based on the contract terms.

Advance payments received on customer contracts are recorded as contract liabilities and presented as part of other short-term liabilities. Liabilities from advance payments are released and revenues associated with such advance payment transactions are recognized upon delivery and transfer of title, ownership and risk of loss of the related products to the customer.

Interest income and interest expense is recognized on a time proportion basis. Dividend income is recognized when the right to receive payment is established.

Dividend distributions to the company’s shareholders are recorded in the Group’s financial statement in the period in which the dividends are approved by the company’s shareholders.

2.4 Foreign currency translation

Presentation currency The consolidated financial statements are presented in euros. This currency has been selected due to the fact that the majority of the Group’s assets, liabilities, revenues and expenses are denominated in this currency.

For the convenience of the reader the consolidated income statement, comprehensive income and balance sheet are also presented in Swiss francs. The calculation is simplified based on consolidated Euro values using the relevant closing and average rates.

Transactions and balances Foreign currency transactions are translated into the presentation currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Group companies The Group subsidiaries present their financial statements in local currency. Conversion of the profit and loss accounts into the Group presentation currency is done at the average annual rates, while the balance sheet is converted at the closing rate at the date of that balance sheet. All resulting exchange differences are recognized as a separate component of equity.

Argentina and Türkiye are considered hyperinflationary economies in the reporting period and in the previous year. As the effects of hyperinflation accounting in accordance with IAS 29 are not material for the Group, hyperinflation accounting in accordance with IAS 29 was not applied to these countries.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to shareholder’s equity. When a foreign entity is sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the reporting entity and translated at the closing rate.

Consolidated comprehensive income In addition to the income statement, the comprehensive income comprises results recognized directly in equity, i.e. without affecting profit or loss. Relevant for the Group are actuarial gains or losses from defined benefit plans and currency differences from the translation of the financial statements of foreign subsidiaries. The translation differences result from the difference between historical exchange rates and closing rates on investments and equity in foreign currencies; there are no related tax effects.

Notes to the consolidated financial statements

2.5 Tangible fixed assets

Property, plant and equipment is valued at historical acquisition or production costs, less accumulated depreciation calculated on a straight-line basis over the useful life of the asset. Subsequent expenses that enhance the economic benefits associated with the item are capitalized. Land is reported at cost.

The estimated useful life to determine straight-line depreciation is as follows:

Land, assets under construction	none
Buildings (light structures)	10–20 years
Buildings (solid constructions)	25–40 years
Plant, equipment and machinery	7–15 years
Production tools and other equipment	3–7 years
Office equipment and furniture	8–10 years
IT equipment (hardware)	3–5 years
Motor vehicles	4–6 years

Gains or losses on disposals are determined by comparing proceeds with book values and are included in operating profit. Interest costs on borrowings to finance the construction of property, plant and equipment are expensed in the period in which they are incurred if they are not directly attributable.

The property, plant and equipment financed by finance lease agreements are depreciated over the shorter of the duration of the lease agreement and its duration in use.

2.6 Intangible assets

Goodwill Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested for impairment annually or more frequently if there is an indication of impairment and carried at cost less accumulated impairment losses. The calculation of gains and losses on the disposal of an entity is based on the carrying amount of goodwill relating to the entity sold.

Research and development costs Research expenditure is recognized as an expense as incurred. Since the extent and timing of future economic benefits of development projects is difficult to assess, development costs are regularly recognized as expenses as incurred.

Other intangible assets Costs associated with developing or maintaining computer software programmes are recognized as an expense as incurred. Expenditure to acquire patents, trademarks and licences is capitalized. Intangible assets are amortized using the straight-line method over the following useful lives:

Concessions, rights and licences	3–15 years
Computer software	3–5 years
Technology and other intangible assets	3–15 years

2.7 Impairment of assets

Assets that have an indefinite useful life are not subject to depreciation or amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever an indication is given. Where the book value of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

2.8 Financial assets

Financial assets are classified into the following categories: Financial assets at fair value through profit or loss and financial assets at amortised cost.

A financial asset is classified in the category “at fair value through profit or loss” if the criteria for classification “at amortised cost” are not fulfilled. Investments in equity instruments are measured at fair value. The possibility to present subsequent changes in fair value in other comprehensive income is not applied. Investments in debt instruments are classified on the basis of the business model as determined by Group management. The majority of these instruments are held and managed on the basis of fair value considerations and therefore measured at fair value. Derivatives are also measured at fair value through profit or loss. Regular purchase and sales of financial assets are recognized on the trade-date, the date on which the Group commits to purchase or sell the asset. Profits and losses arising from changes in market value are recorded in the net financial result.

2.9 Derivative financial instruments

Due to its international activities, the Group is particularly exposed to changes in interest and exchange rates. The companies of the Group use derivative financial instruments to limit these risks. The Group uses forward exchange contracts to hedge existing underlying transactions. On the interest rate side, risks are limited by interest rate derivatives in the form of interest rate options and interest rate swaps, with interest rate swaps being used specifically to reduce the interest rate risk from liabilities originally subject to variable interest rates. Derivatives are valued at market value. Changes in the market value are taken to the income statement (see note 26). Hedge accounting is not applied.

There are no reverse factoring agreements.

2.10 Leasing agreements

As a lessee the Group leases certain tangible fixed assets like land, buildings, offices, vehicles, machinery and IT equipment. Under the accounting model of IFRS 16, all leases are generally recognised in the balance sheet. The right-of-use asset, which represents the right to use the underlying asset, and the liability from the lease, which represents the obligation to make lease payments, are recognized.

The Group has made use of the practical expedients not to capitalize short-term leases with a term of less than 12 months and leases of low-value assets (less than EUR 5,000) as rights-of-use. These contractual relationships are recognized as expenses on a straight-line basis over the term of the lease. The Group has also decided not to treat software licenses under IFRS 16 as all other intangible assets.

A contract is classified as a lease under IFRS 16 if the Group has the right to obtain economic benefits from the use of an identified asset and has the right to decide whether to use the asset alone. Rights-of-use are recognized at cost and amortized on a straight-line basis over the lease term using the cost model or over the expected useful life if a purchase option exists. For the latter, the same depreciation periods are used as for purchased property, plant and equipment. The costs for the right of use consist of the present value of the leasing liability, the direct costs and the future dismantling costs. In addition,

where necessary, rights of use are subject to extraordinary depreciation (impairment) and the lease liability is adjusted for certain revaluations. Lease and non-lease components of an agreement are not accounted for separately, but are treated as one lease. The exception here is non-leasing components for rentals and buildings (in particular ancillary costs). These are recognized separately as expenses on a straight-line basis over the term of the lease.

The lease liability is measured at the present value of the lease payments. The lease payments are discounted at the interest rate on which the lease is based, if this can be easily determined. Otherwise, the marginal borrowing rate is normally applied, which is centrally determined by the Group according to countries and currencies.

The Group does not have any material leases as lessor.

2.11 Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of purchased inventory is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. The value adjustments are calculated on a line-by-line basis using the stock reach criterion and take also slow-moving items and specific cases into consideration.

2.12 Trade accounts receivables, income tax receivables and other receivables

Trade receivables are valued and recognized in the balance sheet at original invoice amount, which equals their fair value. Provisions for impairment of these receivables have been made for doubtful and overdue debts. The impairment model of IFRS 9 requires the recognition of expected losses. For the measurement of impairment on trade receivables, the simplified approach was chosen, which allows for the consideration of impairments expected to occur over the total term. The amount of the expected loss is recognized in the income statement within other operating expenses.

Notes to the consolidated financial statements

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less and are carried at nominal value.

2.14 Trade accounts payable and other liabilities

Trade accounts payable represent liabilities for goods and services purchased in the ordinary course of business. They are presented as current liabilities if payment is due within one year or less than one year. Otherwise they are reported under non-current liabilities.

They are measured at the originally invoiced amount which equals fair value.

2.15 Loans

Loans are initially recognized at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any discount, which corresponds to the difference between the proceeds (net of transaction costs) and the redemption amount is amortized over the term of the loan and is recognized in the income statement using the effective interest method. Loans are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.16 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are measured at the expected future outflow of resources.

2.17 Current and deferred income tax

Provisions are made for all tax obligations at the balance sheet date, regardless of their payment date.

The impact of the OECD minimum taxation on the Group's current tax charge is not material. Top-up taxes on income for current reporting periods are disclosed in note 21, where relevant. The Group has applied the exception for the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two income taxes. If further national tax laws already adopted become effective in the future, this is also not expected to have a material impact on the Group.

In addition, provisions are made for deferred taxes at the anticipated local tax rate on the difference between the values in the consolidated balance sheet and the values in the tax balance sheets of the individual companies. Deferred taxes resulting from temporary differences relating to investments in subsidiaries or associated companies are not recognized as the Group can control the timing of the reversal and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Tax relevant losses carried forward and temporary differences are capitalized only to the extent that it is likely that sufficient taxable profit will be generated in the future to offset them.

2.18 Employee benefits

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

Retirement benefit obligations – Defined benefit plans

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The assets recognised are limited to the present value of the future economic benefits available to the Group (asset ceiling).

The pension obligation under all major defined benefit plans is determined yearly by independent qualified actuaries based on the Projected Unit Credit Method.

The present value of the defined benefit obligation is calculated by discounting the estimated future cash outflows using interest rates for government bonds plus a premium of 0.5 to 2% or for high-quality corporate bonds. The government bonds or corporate bonds are denominated in the currency in which the benefits will be paid and have terms to maturity approximating to the terms of the related pension liability of 15 to 20 years.

Actuarial gains and losses due to changes in actuarial assumptions and experience adjustments as well as effects from the asset ceiling are recognised in other comprehensive income in the current period. Pension costs from defined benefit plans include service cost, interest expense and past service cost of the current period and are shown separately in note 7 (personnel expenses).

Retirement benefit obligations – Defined contribution plans

Defined contribution plans are saving plans which do not include future benefit commitments. The contributions, which the Group is called upon to pay in respect of a particular period, are recorded as personnel expenses in that period and separately shown in note 7.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

Profit-sharing and bonus plans

The Group recognizes a provision for bonuses and profit-sharing where contractually obliged or where there is a past practice that has created a constructive obligation.

3. Management of financial risks

3.1 Financial and exchange risks

In view of the Group's worldwide activities and locations in a variety of countries, the local entities are actively engaged in managing exchange risks. Risk management is concentrated on monitoring and analyzing exchange risks, with the aim of limiting their effects on the Group's results. The risks are assessed mainly by the local Group companies, whereby the Group's treasury supports the units.

The Group uses derivative financial instruments like forex forward contracts, options or interest rate derivatives to hedge exchange and interest rate risks.

Financial instruments exposed to foreign exchange risks are primarily trade accounts receivable, cash and cash equivalents, financial assets, loans and trade accounts payable. This comprises transactions with third parties and internal Group transactions. Relevant net foreign currency exposures exist in CHF and USD. Assuming for the purpose of a sensitivity analysis a change of $\pm 5\%$ of these currencies against the euro, this would result in a possible change of the net income of ± 0.2 EUR millions (prior year ± 3.3 EUR millions).

As the Group is almost debt-free, changes in interest rates have an insignificant impact on the Group's financial result.

3.2 Credit risks

Credit risk arises from cash and cash equivalents, derivative financial instruments and financial assets, as well as receivables from customers. For banks and financial institutions, only first-class institutions are accepted.

For other business partners, the Group's policy on customer credits specifies that a periodic credit-worthiness check is required and performed under the supervision of the controller of the respective Group company. The Group has no significant concentration of credit risks. The maximum exposure is the book value of the receivables.

Notes to the consolidated financial statements

3.3 Liquidity risks

Group companies maintain a certain amount of cash in order to secure their normal business activities. They can adjust their cash balance by usage or repayment of intercompany loans. A significant portion of cash and cash equivalents is managed by Corporate Treasury. The investment regulations define a minimum operational liquidity. Amounts above the minimum liquidity are generally transferred to strategic liquidity. Besides the liquid funds the Group can revert to secured credit lines with major international banks. These credit lines can be utilized by the Group or its entities to fund cash loans or trade financing and to secure exchange rate margins. As at 31 December 2024, the unused credit lines amounted to EUR 19 millions (previous year: EUR 66 millions).

For details on the remaining terms of the liabilities, please refer to note 19.

3.4 Capital risk management

The Group wants to stay autonomous and independent and strives for a healthy debt to equity ratio, which should exceed the industry average.

3.5 Fair value estimation

The following fair value measurement hierarchy levels have been defined for financial instruments carried at fair value:

- Level 1: Valuation based on quoted prices in active markets
- Level 2: Valuation based on quoted prices in inactive markets or according to the discounted cash flow method based on observable market data
- Level 3: Valuation based on unobservable inputs

For details of the Group's assets and liabilities measured at fair value, please refer to notes 14 and 26.

4. Critical accounting estimates and assumptions

When drawing up the consolidated financial statements, the Group makes estimates and takes assumptions concerning the future. The actual values can deviate from the assumptions and estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4.1 Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the requirements of IAS 36 "Impairment of Assets". The recoverable amounts of all cash-generating units are determined based on value-in-use calculations or as exception based on calculation of the fair value less costs of disposal.

4.2 Estimates for the accounting for employee benefits

IAS 19 "Employee Benefits" requires that certain assumptions are made in order to determine the amount to be recorded for retirement benefit obligations and pension plan assets, in particular for defined benefit plans. These are mainly actuarial assumptions such as expected future inflation rates, average life expectancy and expected rates of returns on pension plan assets as well as discount factors. Substantial changes in the assumed development of any of these variables may significantly change the Group's retirement benefit obligation and pension assets.

5. Key figures not defined under IFRS

By stating its free cash flow in the cash flow statement, the Group is reporting an item that is not defined in IFRS but is being widely used and recognized in the financial sector. This key figure is the total cash flow from operating and from investing activities.

Notes to the consolidated financial statements

6. Net sales by region (all amounts in EUR thousands)

	Notes	2024	2023
Europe		1,483,937	1,497,439
Asia-Pacific		1,092,352	1,113,702
Americas		992,775	953,164
Africa, Middle East		175,117	154,524
		3,744,181	3,718,829
Net sales by products (all amounts in EUR thousands)			
Process instrumentation and automation		3,555,413	3,515,561
Laboratory instrumentation and automation		135,908	143,300
Sensors		52,860	59,968
		3,744,181	3,718,829

7. Personnel expenses (all amounts in EUR thousands)

	Notes	2024	2023
Wages and salaries		1,119,414	1,104,021
Social securities		187,855	173,341
Pension costs – defined benefit plan	22	12,369	21,776
Pension costs – defined contribution plan		25,980	25,143
Other employee benefit expenses		28,589	34,211
		1,374,207	1,358,492
Number of employees by region (at balance sheet date)			
Europe		11,577	11,322
Asia-Pacific		3,100	2,924
Americas		2,075	1,992
Africa, Middle East		294	294
		17,046	16,532

8. Other operating expenses (all amounts in EUR thousands)

	Notes	2024	2023
Other personnel related costs		111,714	112,518
Expenses for marketing and sales		158,449	164,723
IT (EDP) related costs		87,123	75,430
Maintenance and repair of buildings and equipment		106,998	106,457
Lease expenses	20	27,198	28,159
Expenses for consulting, development and other services ^c		117,594	106,075
Other operating expenses		16,409	19,686
Non-income taxes		15,828	15,675
Loss from sale of fixed assets		1,175	1,998
		642,488	630,721

9. Research and development (all amounts in EUR thousands)

	Notes	2024	2023
Part of total operating expenses is the following expenditure for research and development		275,601	267,562
In % of net sales		7.4%	7.2%

10. Net financial result (all amounts in EUR thousands)

	Notes	2024	2023
Interest expense – loans		-12,886	-10,232
Interest expense – lease liabilities	20	-2,174	-1,460
Interest expenses		-15,060	-11,692
Interest income		9,812	8,095
Interest result		-5,248	-3,597
Various foreign exchange gains (+)/losses (-)		22,226	-67,580
Foreign exchange gains (+)/losses (-) from derivative financial instruments	26	-43,939	37,825
Net foreign exchange gains/losses		-21,713	-29,755
Result from financial assets (at fair value)		881	-268
Result from derivative financial instruments	26	7	-6
Result from financial assets		888	-274
Net financial result		-26,073	-33,626

Notes to the consolidated financial statements

11. Tangible fixed assets 2024 (all amounts in EUR thousands)

	Land and buildings	Plant, equipment and machinery	Office equipment and furniture	Advance payments & assets under construction	2024 total
Acquisition value					
Value as at 1 Jan 2024	1,216,790	928,251	309,235	166,283	2,620,559
Additions	50,290	49,370	46,335	190,578	336,573
Disposals	-23,274	-20,592	-30,370	-1,044	-75,280
Transfers	28,030	38,382	6,951	-75,816	-2,453
Exchange differences	6,116	5,559	794	3,305	15,774
Value as at 31 Dec 2024	1,277,952	1,000,970	332,945	283,306	2,895,173
Accumulated depreciation					
Value as at 1 Jan 2024	-447,061	-617,541	-209,944		-1,274,546
Depreciation	-49,589	-64,789	-38,704		-153,082
Disposals	18,962	19,815	29,044		67,821
Transfers	1,131	-1,291	-112		-272
Exchange differences	-2,878	-4,057	-891		-7,826
Value as at 31 Dec 2024	-479,435	-667,863	-220,607		-1,367,905
Net book value as at 1 Jan 2024	769,729	310,710	99,291	166,283	1,346,013
Net book value as at 31 Dec 2024	798,517	333,107	112,338	283,306	1,527,268
Information on leases included above					
Additions to right-of-use assets	20,323	259	17,238		37,820
Depreciation	-13,318	-158	-12,500		-25,976
Net book value of right-of-use assets as at 31 Dec 2024	55,152	240	28,239		83,631
					2024
Fixed assets pledged as security					2,158

11. Tangible fixed assets 2023 (all amounts in EUR thousands)

	Land and buildings	Plant, equipment and machinery	Office equipment and furniture	Advance payments & assets under construction	2023 total
Acquisition value					
Value as at 1 Jan 2023	1,148,951	854,153	282,342	132,239	2,417,685
Additions	41,485	52,972	42,858	112,829	250,144
Disposals	-10,676	-25,906	-24,126	-385	-61,093
Transfers	30,778	40,005	8,360	-81,535	-2,392
Exchange differences	6,252	7,027	-199	3,135	16,215
Value as at 31 Dec 2023	1,216,790	928,251	309,235	166,283	2,620,559
Accumulated depreciation					
Value as at 1 Jan 2023	-402,720	-576,320	-196,743		-1,175,783
Depreciation	-47,121	-60,963	-35,883		-143,967
Disposals	8,048	24,111	22,296		54,455
Transfers	0	-566	-156		-722
Exchange differences	-5,268	-3,803	542		-8,529
Value as at 31 Dec 2023	-447,061	-617,541	-209,944		-1,274,546
Net book value as at 1 Jan 2023	746,231	277,833	85,599	132,239	1,241,902
Net book value as at 31 Dec 2023	769,729	310,710	99,291	166,283	1,346,013
Information on leases included above					
Additions to right-of-use assets	10,908	176	15,989		27,073
Depreciation	-12,919	-130	-11,887		-24,936
Net book value of right-of-use assets as at 31 Dec 2023	49,154	137	24,366		73,657
					2023
Fixed assets pledged as security					3,384

Notes to the consolidated financial statements

12. Intangible assets 2024 (all amounts in EUR thousands)

	Goodwill	Concessions, rights and licences	IT software	Technology and other intangible assets	2024 total
Acquisition value					
Value as at 1 Jan 2024	116,676	45,002	130,931	45,874	338,483
Additions	0	61	6,618	6,088	12,767
Disposals	0	-16	-2,532	-3,438	-5,986
Transfers	0	5	4,278	-1,541	2,742
Exchange differences	3,472	1,575	-18	90	5,119
Value as at 31 Dec 2024	120,148	46,627	139,277	47,073	353,125
Accumulated amortization and impairment					
Value as at 1 Jan 2024	-49,743	-33,718	-104,181	-22,579	-210,221
Amortization	0	-2,507	-10,830	-3,592	-16,929
Disposals	0	17	2,506	3,438	5,961
Transfers	0	-26	9	0	-17
Exchange differences	-720	-1,262	-42	-80	-2,104
Value as at 31 Dec 2024	-50,463	-37,496	-112,538	-22,813	-223,310
Net book value as at 1 Jan 2024	66,933	11,284	26,750	23,295	128,262
Net book value as at 31 Dec 2024	69,685	9,131	26,739	24,260	129,815

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to reporting entities (group companies or sub-groups). The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections over a four-year period and do not result in any impairment charge. If a 1% lower growth rate or a 1% higher WACC is assumed for a sensitivity analysis, this does not result in any material need for impairment.

The significant assumptions regarding goodwill were as follows:

Sub-group	Goodwill in EUR thousands	Goodwill from year	WACC	Long-term sales growth rate	Average return on sales
Endress+Hauser Optical Analysis Inc.	21,222	2012/2013	8.6%	2.0%	9.5%

The further goodwill of 48'463 EUR thousands is distributed among 11 subsidiaries or sub-groups.

12. Intangible assets 2023 (all amounts in EUR thousands)

	Goodwill	Concessions, rights and licences	IT software	Technology and other intangible assets	2023 total
Acquisition value					
Value as at 1 Jan 2023	118,542	63,709	121,702	51,270	355,223
Additions	250	203	4,520	5,474	10,447
Disposals	-322	-18,384	-2,567	-9,069	-30,342
Transfers	0	31	5,630	-2,519	3,142
Exchange differences	-1,794	-557	1,646	718	13
Value as at 31 Dec 2023	116,676	45,002	130,931	45,874	338,483
Accumulated amortization and impairment					
Value as at 1 Jan 2023	-31,582	-49,922	-94,711	-27,429	-203,644
Amortization	0	-2,513	-11,024	-4,013	-17,550
Impairment	-18,822	0	0	0	-18,822
Disposals	322	18,390	2,484	9,069	30,265
Transfers	0	-31	-4	7	-28
Exchange differences	339	358	-926	-213	-442
Value as at 31 Dec 2023	-49,743	-33,718	-104,181	-22,579	-210,221
Net book value as at 1 Jan 2023	86,960	13,787	26,991	23,841	151,579
Net book value as at 31 Dec 2023	66,933	11,284	26,750	23,295	128,262

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to reporting entities (group companies or sub-groups). The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections over a four-year period. The calculations did result to an impairment charge of EUR 18,822 thousands, which arose at the subgroup Analytik Jena GmbH+Co. KG due to lower sales and earnings expectations and an increased discount rate.

The significant assumptions regarding goodwill were as follows:

Sub-group	Goodwill in EUR thousands	Goodwill from year	WACC	Long-term sales growth rate	Average return on sales
Endress+Hauser Optical Analysis Inc.	20,177	2012/2013	8.6%	2.0%	7.0%

The further goodwill of 46,756 EUR thousands is distributed among 11 subsidiaries or sub-groups.

Notes to the consolidated financial statements

13. Investments in associated companies (all amounts in EUR thousands)

	Notes	2024	2023
Change in investments in associated companies:			
Value as at 1 Jan		29,909	32,321
Group share of profit after tax		-2,371	-2,244
Goodwill impairment		-6,409	0
Exchange differences		52	-168
Value as at 31 Dec		21,181	29,909

Joint ventures are accounted for using the equity method and listed under investments in associates (see scope of consolidation in note 31).

The impairment test on goodwill at Automation24 GmbH resulted in an impairment charge of EUR -6,409 thousands. In the "one-line consolidation" method used, goodwill is included in the value of investments as at 31 December 2024 and amounts to EUR 16,250 thousands (previous year: EUR 22,659 thousands).

The summarised financial information for associated companies are as follows:		2024	2023
Non-current assets		1,242	1,085
Current assets		11,152	16,250
Non-current liabilities		187	147
Current liabilities		2,345	2,688
Net sales		30,256	32,430

14. Financial assets (all amounts in EUR thousands)

	Notes	2024	2023
Long-term financial assets (at fair value)		1,731	1,144
Long-term loans to third parties (amortised cost)		2,007	1,565
Long-term financial assets (amortised cost)		1,749	1,017
Long-term financial assets		5,487	3,726
Short-term financial assets (at fair value)		11,939	3,889
Short-term financial assets (amortised cost)		8,643	190,738
Derivative financial instruments – assets	26	1,943	23,594
Short-term financial assets		22,525	218,221
Financial assets		28,012	221,947
The financial assets (at fair value) are included in the fair value hierarchy levels as follows:	3.5		
Level 1		11,966	3,902
Level 2		2,942	24,034
Level 3		705	691
Financial assets (at fair value)		15,613	28,627
Financial assets (amortised cost)		12,399	193,320
Financial assets		28,012	221,947

Level 1 mainly contains short-term financial assets (at fair value) such as share funds and bonds with quoted marked prices.

Level 2 mainly contains derivative financial instruments.

15. Inventories (all amounts in EUR thousands)

	Notes	2024	2023
Raw materials and supplies		239,400	258,640
Work in progress and semi-finished goods		185,617	186,480
Finished goods and merchandise		151,182	165,901
Advance payments for inventory		3,815	8,840
Value as at 31 Dec (after deduction of value adjustments)		580,014	619,861
As in the previous year, no inventories were pledged as security for borrowings.			
Change in value adjustments based on the stock-reach analysis:			
Value as at 1 Jan		-65,871	-62,966
Additions (via income statement)		-14,071	-12,406
Amounts used		5,253	4,938
Reversal (via income statement)		5,896	5,269
Exchange differences		-385	-706
Value as at 31 Dec		-69,178	-65,871

Notes to the consolidated financial statements

16. Trade accounts receivable (all amounts in EUR thousands)

	Notes	2024	2023
Trade accounts receivable from third parties		708,472	655,335
Trade accounts receivable – cons. group companies	28	8	25
Total trade accounts receivable – gross		708,480	655,360
Bad debt valuation allowance		-21,774	-17,048
Total trade accounts receivable		686,706	638,312
Movements on the provision for impairment of trade receivables:			
Value as at 1 Jan		-17,048	-17,709
Provision for receivables impairment		-6,274	-4,577
Utilization of provision for receivables written off		1,248	1,377
Reversal of unused provision		686	3,627
Exchange differences		-386	234
Value as at 31 Dec		-21,774	-17,048
At reporting date provisions for doubtful and overdue debts have been made. The aging analysis of the receivables is as follows:			
Aging analysis			
Not due or overdue under 2 months		635,624	583,870
2 to 6 months overdue		35,759	36,585
6 to 12 months overdue		14,365	15,701
Over 12 months overdue		22,732	19,204
Total trade accounts receivable – gross		708,480	655,360
Trade accounts receivable include amounts denominated in the following major currencies:			
Functional currencies of subsidiaries		612,019	574,246
Euro		48,523	43,385
US dollar		44,127	37,138
Other currencies		3,811	591
Total trade accounts receivable – gross		708,480	655,360

17. Other accounts receivable (all amounts in EUR thousands)

	Notes	2024	2023
Other tax receivables		54,031	43,799
Accounts receivable from social benefits institutions		2,936	2,906
Accounts receivable from employees		847	1,335
Contract assets (IFRS 15)	25	20,407	34,004
Prepayments and accruals		37,728	33,055
Other accounts receivable from third parties		257,289	18,910
		373,238	134,009

Other receivables do not contain impaired assets. As at 31 December 2024, "Other accounts receivable from third parties" include around EUR 240 million in advance payments in connection with asset purchase agreements, see note 32.

18. Cash and cash equivalents (all amounts in EUR thousands)

	Notes	2024	2023
Cash and cash deposits		741,392	647,962
Short-term interest bearing deposits		3,687	7,036
		745,079	654,998

Notes to the consolidated financial statements

19. Loans and other liabilities with residual maturity (all amounts in EUR thousands)

	Notes	2024	2023
The carrying amounts of loans (at amortised cost) are as follows:			
Long-term loans from banks		71	176
Long-term loans from third parties		2,298	1,744
Long-term lease liabilities	20	58,054	49,418
Total long-term loans		60,423	51,338
Short-term loans from banks		351	0
Short-term loans from associated companies	28	900	2,000
Short-term loans from cons. group companies	28	1,193,329	917,640
Short-term lease liabilities	20	22,878	20,170
Total short-term loans		1,217,458	939,810
Total loans		1,277,881	991,148
Changes in liabilities arising from financing activities are as follows:			
Total loans as at 1 Jan		991,148	731,861
Financing cash flows		255,080	180,281
New leases		37,820	27,073
Exchange differences and other changes		-6,167	51,933
Total loans as at 31 Dec		1,277,881	991,148
Trade accounts payable to third parties		160,534	148,552
Trade accounts payable to cons. group companies	28	54	0
Trade accounts and notes payable		160,588	148,552
Other liabilities with residual maturity	24	98,268	86,350
Breakdown by maturity			
Under 1 year		1,476,121	1,174,508
1 to 5 years		47,401	39,648
Over 5 years		13,215	11,894
Total liabilities with residual maturity		1,536,737	1,226,050

Bank loans are mainly secured by the land and buildings of the Group (see note 11). The short-term loans from consolidated group companies are granted by Endress+Hauser AG to Endress+Hauser Management AG.

All loans are in functional currencies of subsidiaries. The fair value of the loans equal their carrying amount, as the impact of discounting is not significant.

20. Leasing (all amounts in EUR thousands)

	Notes	2024	2023
As a lessee the Group has recognized the following amounts in the balance sheet:			
Net book value of right-of-use assets	11	83,631	73,657
Short-term lease liabilities		22,878	20,170
Long-term lease liabilities 1 to 5 years		44,839	37,524
Long-term lease liabilities over 5 years		13,215	11,894
Present value of lease liabilities	19	80,932	69,588
The income statement shows the following amounts relating to leases:			
Depreciation	11	25,976	24,936
Interest expense – lease liabilities	10	2,174	1,460
Lease expenses short-term	8	14,855	13,818
Lease expenses low-value leases	8	3,038	2,663
Expenses for additional charges for lease contracts	8	9,305	11,678
Total cash outflows for leases		56,010	56,524

The Group does not generate any income from subleasing right-of-use assets and no gains or losses from sale and leaseback transactions.

There are no significant cash outflows that have not been taken into account in the measurement of lease liabilities.

The Group's right-of-use assets shown in the balance sheet are spread over a large number of different contracts. The leasing agreements are concluded directly by the respective Group companies in accordance with local laws, rules and customs. The majority of lease payments are fixed but include index-linked rents. The restrictions and undertakings on the right-of-use assets are customary conditions in the industry.

Notes to the consolidated financial statements

21. Income taxes (all amounts in EUR thousands)

	Notes	2024	2023
Income tax expenses			
Current income tax charge		115,695	153,133
Top-up tax on current income tax		0	0
Deferred income tax charge (+)/benefit (-)		3,441	-24,694
Total charge for income taxes		119,136	128,439
Analysis of tax rate			
The income tax expense on the consolidated profit before taxes differs from the expected tax rate (the weighted average of the local tax rates of the Group companies) as follows:			
Average expected tax rate		23.6%	24.7%
Tax effect of			
- Changes in tax rates		0.2%	0.2%
- Additional tax (+) or tax refunds (-) from previous years		-0.7%	-0.1%
- Income not subject to tax		-2.6%	-3.0%
- Expenses not deductible for tax purposes or reduced rate		2.0%	3.3%
- Current year change in unrecognized tax losses		0.3%	-1.1%
- Other items		-0.2%	-0.1%
Effective tax rate		22.6%	23.9%
Composition of deferred taxes			
Deferred tax assets		95,672	102,279
Deferred tax liabilities		-27,388	-30,190
Net balance as at 31 Dec		68,284	72,089
Changes in deferred taxes (assets and liabilities)			
Balance as at 1 Jan		72,089	44,969
Income statement charge/credit		-3,441	24,694
Tax debited (-)/credited (+) to equity		-1,073	5,537
Exchange differences		709	-3,111
Net balance as at 31 Dec		68,284	72,089
Tax losses on which no deferred tax was calculated			
Expiry			
Within 5 years		7,924	6,701
Within 6 to 10 years		12,350	12,872
Over 10 years		63,676	55,071
Unrecognized tax losses as at 31 Dec		83,950	74,644

21. Income taxes (all amounts in EUR thousands)

	Notes	2024	2023
Source of deferred tax			
Deferred tax assets and liabilities relate to the following items on the consolidated balance sheet:			
Tangible fixed assets		-37,564	-34,637
Intangible assets		13,335	9,419
Capitalized tax losses		30,766	33,754
Inventories		30,488	31,902
Other assets		5,597	2,688
Pension assets/retirement benefit obligations		1,986	5,062
Loans		16,992	12,250
Other liabilities		6,684	11,651
Net deferred tax balance recognized as at 31 Dec		68,284	72,089

The partial outsourcing of the German pension scheme done in 2019 results in tax losses that are part of capitalized tax losses.

22. Retirement benefit obligations (all amounts in EUR thousands)

	Notes	2024	2023
The defined benefit obligations are composed as follows:			
Group companies in Germany		39,263	49,928
Group companies in Switzerland		-57,324	-62,941
Pension assets (-)/defined benefit obligations (+) recognized in the balance sheet		-18,061	-13,013
Defined benefit obligations – Group companies in Germany			
The defined benefit obligations of the Group companies in Germany refer particularly to the pension scheme of 1993 and individual obligations to directors and senior staff. The pension scheme provides benefits to employees of the Group in the form of a guaranteed level of pension payable for life, depending on the final salary.			
Effective 1 August 2019, the transferable parts of the pension scheme of 1993 were transferred to Allianz Pensionsfonds AG, Stuttgart, and deducted from the defined benefit obligation in the balance sheet. Due to the obligation to make additional contributions, as set out in the agreement with Allianz, full derecognition of the corresponding pension liabilities is not permitted according to IAS 19.			
The obligations are as follows:			
Present value of obligations		242,924	252,551
Fair value of plan assets		-203,661	-202,623
Defined benefit obligations recognized in the balance sheet		39,263	49,928

Notes to the consolidated financial statements

22. Retirement benefit obligations (all amounts in EUR thousands)

	Notes	2024	2023
Movement in the defined benefit obligation			
Value as at 1 Jan		252,551	233,615
Current service cost		3,335	3,334
Interest cost		7,942	8,492
Total defined benefit plan costs, included in personnel expenses	7	11,277	11,826
Remeasurement resulting from actuarial gains (-)/losses (+) recognized in year from			
Change in financial assumptions		-10,555	14,628
Change in experience adjustments		920	2,424
Total remeasurement, included in other comprehensive income		-9,635	17,052
Benefits paid		-11,268	-9,942
Value as at 31 Dec		242,925	252,551
Movement in the fair value of the plan assets			
Value as at 1 Jan		202,623	193,426
Interest income		6,364	7,026
Total defined benefit plan costs, included in personnel expenses	7	6,364	7,026
Remeasurement: return on plan assets		3,590	10,538
Effect of asset ceiling		-1	3
Total remeasurement, included in other comprehensive income		3,589	10,541
Benefits paid		-8,915	-8,370
Value as at 31 Dec		203,661	202,623

Plan assets contain investments with quoted market prices (thereof 54.5% bonds and 30.3% shares), 14.1% real estate and 1.1% investments without quoted market price (cash and pledged liability insurances).

The significant actuarial assumptions (weighted averages) were as follows:

	2024	2023
Discount rate	3.40%	3.20%
Future salary increase	2.50%	2.60%
Future pension increase	1.90%	2.00%

Sensitivity analysis

Changes in the weighted principal assumptions have the following impact on the defined benefit obligation:

	2024	
	Increase in assumption	Decrease in assumption
Discount rate: change in assumption by 0.1%	-1.4%	+1.5%
Future salary increase: change in assumption by 0.1%	+0.2%	-0.2%
Future pension increase: change in assumption by 0.1%	+1.2%	-1.2%
Life expectancy: change in assumption by + 1 year	+3.0%	

The weighted average duration of the defined benefit obligation is 14.7 years.

22. Retirement benefit obligations (all amounts in EUR thousands)

	Notes	2024	2023
Defined benefit obligations – Group companies in Switzerland			
Retirement benefit obligations of the companies in Switzerland compound of plans regulated by the Federal Law on Occupational Old-Age, Survivors' and Disability Insurance (BVG). The pension plans of the Group are managed by a reputable insurance company and are financed by regular employee and employer contributions. The final pension benefits are dependent on contributions and involve specified minimum guarantees.			
The obligations are as follows:			
Present value of obligations		617,440	566,699
Fair value of plan assets		-674,764	-629,640
Pension assets (-) recognized in the balance sheet		-57,324	-62,941
Movement in the defined benefit obligation			
Value as at 1 Jan		566,699	457,596
Current service cost		23,695	18,631
Past service cost		-15,319	0
Interest cost		8,285	10,731
Total defined benefit plan costs, included in personnel expenses	7	16,661	29,362
Remeasurement resulting from actuarial gains (-)/losses (+) recognized in year from			
Change in financial assumptions		28,217	37,279
Change in experience adjustments		9,396	531
Change in demographic assumptions		-502	0
Total remeasurement, included in other comprehensive income		37,111	37,810
Contributions by plan participants		38,575	40,719
Benefits paid		-36,079	-32,438
Exchange differences		-5,527	33,650
Value as at 31 Dec		617,440	566,699
Movement in the fair value of the plan assets			
Value as at 1 Jan		629,640	528,190
Interest income		9,205	12,386
Total defined benefit plan costs, included in personnel expenses	7	9,205	12,386
Remeasurement: return on plan assets			
Effect of asset ceiling		0	12,518
Total remeasurement, included in other comprehensive income		17,019	17,687
Contributions by plan participants		38,575	40,719
Employer contributions		22,706	25,320
Benefits paid		-36,079	-32,438
Exchange differences		-6,302	37,776
Value as at 31 Dec		674,764	629,640

Notes to the consolidated financial statements

22. Retirement benefit obligations (all amounts in EUR thousands)

	Notes	2024	2023
Assets of the old-age and surviving dependants' pensions correspond to the present value of the related obligations as follows:		96,716	82,576
The difference to assets from insurance contracts is:		-7,933	-11,284

Plan assets contain 15.6% securities with quoted market prices and 84.4% investments without quoted market price (insurance contracts and real estate).

Due to the existing employer contribution reserves an economic benefit is given. Up to this upper limit (asset ceiling), the asset surplus can be presented as an asset.

The past service cost result from the adjustment of the conversion factor at retirement age.

The significant actuarial assumptions (weighted averages) were as follows:

	2024	2023
Discount rate	1.00%	1.50%
Future salary increase	1.70%	1.70%
Future pension increase	0.00%	0.00%

Sensitivity analysis

Changes in the principal actuarial assumptions have the following impact on the defined benefit obligation:

	2024	
	Impact on defined benefit obligation	
	Increase in assumption	Decrease in assumption
Discount rate: change in assumption by 0.1%	-1.4%	+1.5%
Future salary increase: change in assumption by 0.1%	+0.1%	-0.1%
Life expectancy: change in assumption by 1 year	+1.7%	-1.8%

The weighted average duration of the defined benefit obligation is 14.1 years.

23. Provisions (all amounts in EUR thousands)

	Other employee benefit obligations	Warranty provisions	Provisions for legal claims	Other provisions	2024 total	2023 total
Long-term provisions						
Value as at 1 Jan	60,299	1,325	208	3,008	64,840	43,531
Additions (via income statement)	14,693	295	0	611	15,599	24,069
Amounts used	-4,513	-87	-100	-74	-4,774	-3,405
Amounts released (via income statement)	-1,439	-8	0	-136	-1,583	-2,513
Transfers	802	0	0	-1	801	3,112
Exchange differences	420	-19	0	43	444	46
Value as at 31 Dec	70,262	1,506	108	3,451	75,327	64,840
Short-term provisions						
Value as at 1 Jan	144,855	21,679	117	13,817	180,468	187,007
Additions (via income statement)	89,009	7,094	211	11,876	108,190	181,516
Amounts used	-126,805	-5,287	0	-8,507	-140,599	-167,914
Amounts released (via income statement)	-3,313	-2,839	-23	-2,738	-8,913	-16,841
Transfers	-802	0	0	1	-801	-3,112
Exchange differences	-73	134	0	23	84	-188
Value as at 31 Dec	102,871	20,781	305	14,472	138,429	180,468
Total provisions						
Value as at 31 Dec	173,133	22,287	413	17,923	213,756	245,308

Other employee benefit obligations

Other long-term employee benefit obligations include obligations from contribution plans and provisions for jubilee/anniversary benefits. Short-term employee benefit obligations mainly refer to holiday, vacation and flexible work time balances of employees, liabilities from management bonuses and severance payments.

Warranty provisions

The Group offers warranties on certain products and repairs or replaces those products which do not work to satisfaction. The provision set up at the end of the year to cover future warranty costs is based on historic experience with respect to the volume of repairs and returns.

Provisions for legal claims

The amounts shown include provisions for some legal proceedings instituted against the Group. It is the Supervisory Board's and Executive Board's opinion, which is backed up by the appropriate legal advice, that these proceedings will not result in any significant loss beyond the amounts set aside at year end.

Other provisions

Other provisions relate to various commitments to third parties, as entered into by the companies of the Group.

Notes to the consolidated financial statements

24. Other liabilities (all amounts in EUR thousands)

	Notes	2024	2023
Other long-term liabilities to third parties		193	204
Total other long-term liabilities		193	204
Other tax liabilities		37,769	51,778
Accounts payable to social benefits institutions		20,160	19,513
Accounts payable to employees		10,942	16,286
Other accounts payable to third parties		19,941	15,123
Derivative financial instruments – liabilities	26	12,389	2,336
Advance payments received	25	74,073	86,951
Accrued revenues from customer contracts (IFRS 15)	25	9,572	7,228
Accruals and deferrals		34,643	32,888
Total other short-term liabilities		219,489	232,103
Total other liabilities		219,682	232,307

25. Balances from customer contracts (all amounts in EUR thousands)

Trade accounts receivable are outlined in note 16. Contract liabilities are composed of advance payments received and accrued revenues from customer contracts (see note 24).

	2024		2023	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
The development of contract assets and contract liabilities is as follows:				
Value as at 1 Jan	34,004	94,179	20,565	101,517
Excess of performance over payments received	4,404		12,920	
Cumulative adjustments of revenues from previous periods	-200	0	3,757	-1,008
Impairment of contract assets	-29		-151	
Transfer to trade accounts receivable	-17,759		-3,250	
Excess of payments received over performance		65,056		32,381
Revenue recognized from contract liabilities		-76,609		-35,691
Exchange differences	-13	1,019	163	-3,020
Value as at 31 Dec	20,407	83,645	34,004	94,179

26. Derivative financial instruments (all amounts in EUR thousands)

Derivative financial instruments held at year end are used primarily to hedge currency and interest rate risks for the Group. Contracts are concluded only with first-class institutions.

	Notes	2024	2023
Trading derivatives are classified as a current asset or liability:			
Derivative financial instruments – assets	14	1,943	23,594
Derivative financial instruments – liabilities	24	-12,389	-2,336
		-10,446	21,258
The assignment to fair value hierarchy levels of trading derivatives is as follows:			
Level 2	3.5	-10,446	21,258
		-10,446	21,258
Gain (or loss) recognized			
Foreign currency hedging instruments	10	-43,939	37,825
Interest rate hedging instruments	10	7	-6
		-43,932	37,819
The notional principal amounts and fair values of the foreign currency and interest rate derivatives are composed as follows:			
		31 Dec 2024	31 Dec 2023
Notional principal amounts			
Foreign currency hedging instruments		1,102,755	924,684
Interest rate hedging instruments		0	1,952
Total notional principal amounts		1,102,755	926,636
Fair values			
Foreign currency hedging instruments		-10,446	21,209
Interest rate hedging instruments		0	49
Total fair values		-10,446	21,258

27. Commitments and contingent liabilities (all amounts in EUR thousands)

	Notes	2024	2023
The financial obligations entered into as at the balance sheet date that are not recognized in the financial statements comprise capital commitments. Contractual commitments for the acquisition of tangible fixed assets and intangible assets in the following year are amount to:			
		81,897	60,301
No provisions were recognized for the following contingent liabilities, as the occurrence of the risk is considered unlikely:			
Guarantees to third parties		580	0

Notes to the consolidated financial statements

28. Related party transactions (all amounts in EUR thousands)

Details to associates including proportion of ownership and consolidation method are given in the scope of consolidation (see note 31). Further information on loans from consolidated group companies can be found in note 19.

	Notes	2024	2023
Transactions			
Sales of goods and services to associated companies		937	1,200
As in the previous year, no major business transactions were effected with closely associated individuals.			
Key management compensation			
Salaries and social securities		6,950	7,924
Pension costs		681	641
		7,631	8,565
Receivables or liabilities with related parties			
Receivables from cons. group companies	16	8	25
Loans from cons. group companies	19	1,193,329	917,640
Loans from associated companies	19	900	2,000
Liabilities to cons. group companies	19	54	0

29. Exchange rates

The main exchange rates used are:

	Average rate		Closing rate	
	2024	2023	31 Dec 2024	31 Dec 2023
To EUR				
1 CHF	1.04989	1.03026	1.06512	1.07718
1 CNY	0.12954	0.13069	0.13397	0.12795
1 INR	0.01104	0.01119	0.01129	0.01089
1 JPY	0.00611	0.00654	0.00614	0.00642
1 USD	0.92380	0.92437	0.96593	0.90593
To CHF				
1 CNY	0.12339	0.12685	0.12578	0.11878
1 EUR	0.95248	0.97063	0.93886	0.92835
1 INR	0.01052	0.01087	0.01060	0.01011
1 JPY	0.00582	0.00635	0.00577	0.00596
1 USD	0.87991	0.89722	0.90687	0.84102

30. Changes in the scope of consolidation (all amounts in EUR thousands)

Establishment and renaming of subsidiaries 2024

In France, Endress+Hauser Flow France S.A.S.U. has been incorporated.

Acquisitions of subsidiaries 2024

No companies have been purchased during 2024.

Divestments of subsidiaries 2024

There were no disposals of subsidiaries during 2024.

Acquisitions of subsidiaries 2023

No companies have been purchased during 2023.

All minority interests of Endress+Hauser AG, mainly in Endress+Hauser S.A.S.U., France, Endress+Hauser GmbH, Austria, and Endress+Hauser (Peru) S.A.C., Peru, were transferred to companies within the subgroup.

Notes to the consolidated financial statements

31. Endress+Hauser Group – Scope of consolidation as at 31 Dec 2024

	Company name, registered office	Field of activity	Share	Consolidation
Europe				
Switzerland	Endress+Hauser Beteiligungs AG, Reinach	Administration	100%	Full
	Endress+Hauser Flowtec AG, Reinach	Production	100%	Full
	Endress+Hauser Group Services AG, Reinach	Group Services	100%	Full
	Endress+Hauser International AG, Reinach	Sales	100%	Full
	Endress+Hauser Management AG, Reinach	Group Services	100%	Full
	Endress+Hauser Process Solutions AG, Reinach	Engineering/Development	100%	Full
	Endress+Hauser (Schweiz) AG, Reinach	Sales	100%	Full
	Innovative Sensor Technology IST AG, Ebnat-Kappel	Production	100%	Full
	Senstech AG, Fehrltorf	Production	100%	Full
	TrueDyne Sensors AG, Reinach	Production	100%	Full
Belgium	Endress+Hauser S.A.-N.V., Bruxelles	Sales	100%	Full
Bulgaria	Endress+Hauser (Bulgaria) LLC, Sofia	Sales	100%	Full
Denmark	Endress+Hauser A/S, Søborg	Sales	100%	Full
Germany	Analytik Jena GmbH+Co. KG, Jena	Production	100%	Full
	Analytik Jena Verwaltungs-GmbH, Jena	Administration	100%	Full
	Automation24 GmbH, Essen	Sales	50%	At Equity
	Biometra GmbH, Göttingen	Production	100%	Full
	CodeWrights GmbH, Karlsruhe	Development	66.7%	Full
	Endress+Hauser Administration SE, Maulburg	Administration	100%	Full
	Endress+Hauser BioSense GmbH, Freiburg	Development	75%	Full
	Endress+Hauser Conducta GmbH+Co. KG, Gerlingen	Production	100%	Full
	Endress+Hauser Conducta Verwaltungs-GmbH, Gerlingen	Administration	100%	Full
	Endress+Hauser (Deutschland) GmbH+Co. KG, Weil am Rhein	Sales	100%	Full
	Endress+Hauser Digital Solutions (Deutschland) GmbH, Freiburg	Engineering/Development	100%	Full
	Endress+Hauser Flow Deutschland AG, Coburg	Production	100%	Full
	Endress+Hauser Group Services (Deutschland) AG+Co. KG, Weil am Rhein	Group Services	100%	Full
	Endress+Hauser InfoServe GmbH+Co. KG, Weil am Rhein	Support	100%	Full
	Endress+Hauser InfoServe Verwaltungs-GmbH, Weil am Rhein	Administration	100%	Full
	Endress+Hauser Logistik GmbH+Co. KG, Weil am Rhein	Support	100%	Full
	Endress+Hauser Messtechnik Verwaltungs-GmbH, Weil am Rhein	Administration	100%	Full
	Endress+Hauser SE+Co. KG, Maulburg	Production	100%	Full
	Endress+Hauser Wetzler GmbH+Co. KG, Nesselwang	Production	100%	Full
	Endress+Hauser Wetzler Verwaltungs-GmbH, Nesselwang	Administration	100%	Full
	ETG Entwicklungs- und Technologie Gesellschaft-mbH Ilmenau, Ilmenau	Production	100%	Full
	IMKO Micromodultechnik GmbH, Ettlingen	Production	100%	Full
	Infrasolid GmbH, Dresden	Production	54.2%	Full
	IST Innuscreen GmbH, Berlin	Production	100%	Full
	Jobst Technologies GmbH, Freiburg	Development	100%	Full

31. Endress+Hauser Group – Scope of consolidation as at 31 Dec 2024

	Company name, registered office	Field of activity	Share	Consolidation
Europe				
Finland	Endress+Hauser Oy, Helsinki	Sales	100%	Full
France	Analytik Jena France SARL, Saint-Aubin	Sales	100%	Full
	Endress+Hauser Flow France S.A.S.U., Cernay	Production	100%	Full
	Endress+Hauser Process Analysis Support SARL, Saint-Priest	Sales	100%	Full
	Endress+Hauser S.A.S.U., Huingue	Sales	100%	Full
Greece	Endress+Hauser (Hellas) Single Member S.A., Marousi, Athens	Sales	100%	Full
Ireland	Endress+Hauser (Ireland) Ltd., Kill, Dublin	Sales	100%	Full
Italy	Endress+Hauser Italia S.p.a., Cernusco s/Naviglio	Sales	100%	Full
	Endress+Hauser Sicestherm S.r.L., Pessano	Production	100%	Full
Croatia	Endress+Hauser d.o.o., Zagreb	Sales	100%	Full
Lithuania	Endress+Hauser (Baltic) UAB, Kaunas	Sales	100%	Full
Netherlands	Endress+Hauser BV, Naarden	Sales	100%	Full
Norway	Endress+Hauser AS, Lierskogen	Sales	100%	Full
Austria	Endress+Hauser GmbH, Wien	Sales	100%	Full
Poland	Endress+Hauser Polska Sp.z.o.o., Wroclaw	Sales	100%	Full
Portugal	Endress+Hauser Portugal S.A., Palmela	Sales	100%	Full
Romania	Analytik Jena Romania srl., Bucharest	Sales	70%	Full
	Endress+Hauser Romania SRL, Bucharest	Sales	100%	Full
Sweden	Endress+Hauser AB, Solna	Sales	100%	Full
Slovenia	Endress+Hauser d.o.o. Slovenija, Ljubljana	Sales	100%	Full
Spain	Endress+Hauser, S.A.U., Sant Cugat del Vallès	Sales	100%	Full
Czech Republic	Endress+Hauser Czech s.r.o., Praha	Sales	100%	Full
	Innovative Sensor Technology s.r.o., Roznov	Production	100%	Full
Türkiye	Endress Hauser Elektronik Sanayi ve Ticaret A.Ş., Istanbul	Sales	100%	Full
Hungary	Endress+Hauser (Magyarország) Kft., Budapest	Sales	100%	Full
United Kingdom	Analytik Jena UK Ltd., London	Sales	100%	Full
	Endress+Hauser Ltd., Manchester	Sales	100%	Full
	MHT Technology Ltd., Richmond	Production	100%	Full
Americas				
Argentina	Endress+Hauser Argentina S.A., Buenos Aires	Sales	100%	Full
Brazil	Endress+Hauser (Brasil) Instrumentação e Automação Ltda., Itatiba	Production	100%	Full
	Endress+Hauser Controle e Automação Ltda., São Paulo	Sales	100%	Full
	Endress+Hauser Flowtec (Brasil) Fluxômetros Ltda., Itatiba	Production	100%	Full
Chile	Endress+Hauser (Chile) Ltda., Santiago de Chile	Sales	100%	Full
Canada	Endress+Hauser (Canada) Ltd., Burlington	Sales	100%	Full
Colombia	Endress+Hauser (Colombia) S A S, Bogotá	Sales	100%	Full
Mexico	Endress+Hauser (México) S.A. de C.V., Naucalpan de Juarez	Sales	100%	Full

Notes to the consolidated financial statements

31. Endress+Hauser Group – Scope of consolidation as at 31 Dec 2024

	Company name, registered office	Field of activity	Share	Consolidation
Americas				
Panama	Endress+Hauser Panama, Inc., Panama City	Sales	100%	Full
Peru	Endress+Hauser (Peru) S.A.C., Lima	Sales	100%	Full
United States of America	Analytik Jena US LLC, Tewksbury (Massachusetts)	Production	100%	Full
	Automation24 Inc., King of Prussia (Pennsylvania)	Sales	50%	At Equity
	Endress+Hauser Conducta Inc., Anaheim (California)	Production	100%	Full
	Endress+Hauser DISC Inc., Greenwood (Indiana)	Sales	100%	Full
	Endress+Hauser Flow (USA), Inc., Greenwood (Indiana)	Production	100%	Full
	Endress+Hauser Inc., Greenwood (Indiana)	Sales	100%	Full
	Endress+Hauser InfoServe Inc., Greenwood (Indiana)	Support	100%	Full
	Endress+Hauser Optical Analysis Inc., Ann Arbor (Michigan)	Production	100%	Full
	Endress+Hauser (USA) Automation Instrumentation Inc., Greenwood (Indiana)	Production	100%	Full
	Endress+Hauser (USA) Holding Inc., Greenwood (Indiana)	Group Services	100%	Full
	Endress+Hauser Wetzler (USA), Inc., Greenwood (Indiana)	Production	100%	Full
	Innovative Sensor Technology USA Division, Las Vegas (Nevada)	Sales	100%	Full
Asia-Pacific				
Australia	Endress & Hauser Australia Pty. Ltd., North Ryde NSW	Sales	100%	Full
China	Analytik Jena (Beijing) Instruments Co. Ltd., Beijing	Sales	100%	Full
	Analytik Jena Shanghai Instruments Ltd. Co., Shanghai	Sales	100%	Full
	Endress+Hauser Analytical Instruments (Suzhou) Co. Ltd., Suzhou	Production	100%	Full
	Endress+Hauser (China) Automation Co. Ltd., Shanghai	Sales	100%	Full
	Endress+Hauser Flowtec (China) Co. Ltd., Suzhou	Production	100%	Full
	Endress+Hauser InfoServe (Shanghai) Co. Ltd., Shanghai	Support	100%	Full
	Endress+Hauser Shanghai International Trading Co. Ltd., Shanghai	Sales	100%	Full
	Endress+Hauser (Suzhou) Automation Instrumentation Co. Ltd., Suzhou	Production	100%	Full
	Endress+Hauser Wetzler (Suzhou) Co. Ltd., Suzhou	Production	100%	Full
Hong Kong	Analytik Jena (Hong Kong) Ltd., Hong Kong	Sales	100%	Full
	Endress+Hauser (HK) Ltd., Hong Kong	Sales	100%	Full
India	Analytik Jena India Pvt. Ltd., Delhi	Sales	99.7%	Full
	Endress+Hauser Flowtec (India) Pvt. Ltd., Aurangabad	Production	100%	Full
	Endress+Hauser (India) Automation Instrumentation Pvt. Ltd., Aurangabad	Production	100%	Full
	Endress+Hauser (India) Pvt. Ltd., Mumbai	Sales	100%	Full
	Endress+Hauser InfoServe (India) Pvt. Ltd., Aurangabad	Support	100%	Full
	Endress+Hauser Liquid Analysis (India) Pvt. Ltd., Aurangabad	Production	100%	Full
	Endress+Hauser Wetzler (India) Pvt. Ltd., Aurangabad	Production	100%	Full
Indonesia	PT. Endress+Hauser Indonesia, Jakarta	Sales	100%	Full
Japan	Analytik Jena Japan Co., Ltd., Yokohama	Sales	100%	Full
	Endress+Hauser Japan Co. Ltd., Tokyo	Sales	100%	Full
	Endress+Hauser Yamanashi Co. Ltd., Yamanashi	Production	100%	Full

31. Endress+Hauser Group – Scope of consolidation as at 31 Dec 2024

	Company name, registered office	Field of activity	Share	Consolidation
Asia-Pacific				
Kazakhstan	Endress+Hauser (Kazakhstan) LLP, Almaty	Sales	100%	Full
Malaysia	Endress+Hauser (M) Sdn. Bhd., Shah Alam Selangor	Sales	100%	Full
	Endress+Hauser (Tenaga) Sdn. Bhd., Shah Alam Selangor	Sales	30% ¹⁾	Full
Philippines	Endress+Hauser Philippines Inc., Manila	Sales	100%	Full
Singapore	Endress+Hauser (S.E.A.) Pte. Ltd., Singapore	Sales	100%	Full
South Korea	Analytik Jena Korea Ltd., Seoul	Sales	100%	Full
	Endress+Hauser (Korea) Ltd., Seoul	Sales	100%	Full
Thailand	Analytik Jena Instruments (Thailand) Ltd., Nonthaburi	Sales	100%	Full
	Analytik Jena Far East (Thailand) Ltd., Nonthaburi	Sales	49% ¹⁾	Full
	Endress+Hauser (Thailand) Ltd., Nonthaburi	Sales	100%	Full
Vietnam	Endress+Hauser Vietnam Co. Ltd., Ho Chi Minh City	Sales	100%	Full
Africa / Middle East				
Egypt	Endress+Hauser (Egypt) LLC, Cairo	Sales	100%	Full
Algeria	Endress+Hauser Algérie SARL, Algier	Sales	49% ¹⁾	Full
Qatar	Endress+Hauser (Qatar) L.L.C., Doha	Sales	49% ¹⁾	Full
Oman	Endress and Hauser Muscat SPC, Muscat	Sales	100%	Full
Saudi Arabia	Endress and Hauser (Arabia) LLC, Al-Khobar	Sales	75%	Full
South Africa	Endress+Hauser Investments (Pty.) Ltd., Sandton	Support	100%	Full
	Endress+Hauser (Pty.) Ltd., Sandton	Sales	66.7%	Full
United Arab Emirates	Endress & Hauser Process Automation (UAE) Trading LLC, Dubai	Sales	49% ¹⁾	Full

The scope of consolidation includes 130 companies in total in 54 countries, 10 of them registered in Switzerland and 120 abroad.

¹⁾ The company is fully consolidated. Control according to IFRS 10 results from contractual agreements.

Notes to the consolidated financial statements

32. Post balance sheet events

Endress+Hauser and SICK AG concluded a Master Transaction Agreement in 2024 and entered into a strategic partnership in the field of process automation on 1 January 2025. At the time of approval of these consolidated financial statements, no precise data is available that would allow a preliminary purchase price allocation. We expect that the final purchase price allocation will be published in the consolidated financial statements for the financial year ending 31 December 2025.

Sales and service

In future, SICK's process analysis and gas flow measurement solutions will be offered exclusively by Endress+Hauser. Around 600 experienced and qualified SICK sales and service employees in 42 countries have transferred to Endress+Hauser's sales and support centers in January 2025. The about 200 sales and service colleagues in China will join Endress+Hauser on 1 March 2025, due to technical considerations. The Chinese company is acquired by means of a share deal. For all other countries, asset purchase agreements have been signed. Prepayments totalling around 240 million euros were made in December 2024; these are shown in note 17 in "Other accounts receivable from third parties".

Production and innovation

The strategic partnership also includes the operation of a joint venture. The production and further development of process analyzers and gas flow meters will be the responsibility of a joint company in which both partners will each hold a 50 percent stake. It will employ around 730 people at several locations in Germany. Endress+Hauser will consolidate the joint venture using the equity method.

The Supervisory Board is not aware of any other significant post-closing events that would justify an adjustment to the consolidated financial statements at the time of finalizing this report.



Report of the statutory auditor

to the General Meeting of Endress+Hauser Management AG,
Reinach

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Endress+Hauser Management AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024 and the consolidated income statement, consolidated comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 30 to 70) 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 IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) 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, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), 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 financial statements, the consolidated financial statements 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.

PricewaterhouseCoopers AG, St. Jakobs-Strasse 25, 4002 Basel
Telefon: +41 58 792 51 00, www.pwc.ch

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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 IFRS Accounting Standards 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, ISA 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, ISA 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.



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

Bruno Rossi
Licensed audit expert
Auditor in charge

Manuela Baldisweiler
Licensed audit expert

Basel, 18 March 2025

Group sustainability report

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Shaping the future

Small steps that add up

Endress+Hauser InfoServe, the Group's IT partner, is making its location in Freiburg, Germany, more sustainable one small step at a time. It has cut its paper consumption by reducing the number of printers from one per office to one per floor. Office materials and books are now locally sourced, all power used is from green energy, and all taps in the restrooms have been changed over to cold water. Equally importantly, employees undertake business travel only where essential and limit domestic air travel in favor of rail or electric vehicles wherever possible. To facilitate the latter, the IT provider is gradually transitioning its vehicle fleet to electric. "These are all small changes that add up to something bigger than the sum of their parts," says business process manager Karin Bucher.

Building with vision

Tschekav Münch is a corporate building projects expert, responsible for coordinating construction projects for production and sales centers around the world.



How does sustainability feature in the Endress+Hauser Group's construction projects?

Our owner family is firmly committed to sustainability, so sustainability is a value that guides us in our construction projects. But it's not about buying certifications or chasing medals. It's about closely scrutinizing the rationale for building projects and taking the time for rigorous, long-term planning. To build sustainably, you must assess each individual project on its merits.

Can you explain what you mean by that?

If a location says it requires additional building space, we ask: What will the demand be ten or twenty years from now? Is a large conference room really necessary? Or will it only get used once a year, and would hiring a hall when needed work just as well? So, we gauge exactly what's required and then we explore the options.

What does that involve exactly?

Each project starts with a sustainability assessment in which we work through a whole range of criteria, such as whether we can make use of renewable energy, how we can conserve water, or whether we can incorporate elements of circularity. Much depends on location-specific factors. For example, in countries with 100 percent green power, we may not need rooftop solar or similar like we do at other locations. Then, once we have finished our plans, we check through them with a sustainability lens once again because if we are going to invest our time and energy in a project, we want to make sure it's the right thing to do.

All for a good cause

In the Endress+Hauser Water Challenge, company employees worldwide take part in runs and other sporting activities to raise money to help improve access to clean water for deprived communities. In each case, the company matches the donations one-for-one. In 2024, the proceeds went to a primary school in Lillydale in South Africa's Kruger National Park. The funds raised were used to renovate the school's well and provide Hippo Roller water carts. These carts are 90-liter, barrel-shaped containers that can be rolled along the ground, making it much easier to transport drinking water.



Exporting a successful model

Endress+Hauser promotes the dual education model worldwide. Originally developed in Germany and Switzerland, this model combines theory at vocational schools and universities with practical, on-the-job training in companies. In a first step, Endress+Hauser established dual education programs at its production centers in Greenwood in the US state of Indiana and in Chhatrapati Sambhajnagar in India's Maharashtra state. Now, in 2025, it is setting up a program in Suzhou in China's Jiangsu province. These activities, along with initiatives to help sales centers roll out dual education, are coordinated by a global dual education department. The programs are based on global standards but cater to the specific requirements of each country. "Well-trained specialists are key to our company's success," says Jens Kröger, the head of the department. "Our commitment to growing young talent is a major investment in our wider community that ultimately benefits us too."



Sustainable from the outset

Endress+Hauser is adding an award for eco-design and circular economy to the prizes presented at its annual Innovators' Meetings. "The new award is aimed at continuing to steer the company's product development toward sustainability. It will focus on inventions that combine our measuring instruments' exceptional functionality and reliability with a resource-saving and eco-friendly approach," says Daniel Persson, process and portfolio manager for innovation at Endress+Hauser. The types of inventions envisaged include designs that boost resource efficiency through material savings and more environmentally friendly raw materials; innovations that shrink the use-phase carbon footprint through reduced energy consumption; and solutions that extend the instrument's service life or improve its reusability. Just as importantly, circular business models will also be eligible for the award. "We want to use the prize to pay tribute to our inventor teams and create role models for sustainable product development," says Persson.

Endress+Hauser wants to operate in the most eco-friendly and resource-efficient way possible. Our target is to reduce greenhouse gas emissions to net zero by 2050.



Endress+Hauser Group Sustainability Report

In 2024, Endress+Hauser reached further milestones in the field of sustainability: We have identified our key sustainability issues, calculated the carbon footprint of our lead products and set up an IT system for future reporting requirements. In addition, the Science Based Targets initiative (SBTi) has confirmed our climate targets.

Introduction

How can Endress+Hauser, as a measurement technology manufacturer, shape the path to a more climate and environmentally friendly, sustainable future? What opportunities does the company have, what risks are there and how do sustainability issues affect business success? This is what we determined in 2024 as part of a double materiality analysis (DMA). We have identified 10 fields of action in which we, as an organization, can make a difference or where we need to pay attention to particular influences.

One topic that stands out in our DMA is our corporate culture. It is the people at Endress+Hauser who deliver on our brand promise and bring our brand values of excellence, commitment, sustainability and friendliness to life. Consequently, we continued to work on anchoring sustainability in our overall organization in 2024. Our high ranking in the German Sustainability Award gives us additional motivation. Every year, the independent German Sustainability Award Foundation rewards key players from business, science and the public sector for their contributions to a sustainable transformation. Endress+Hauser was one of the three finalists for the 2024 award in the measurement and control technology sector.

Over the past two years, we have created horizontal structures across the Group, such as a steering committee and a sustainability office, and we have now rolled out the topic vertically in our core processes. Responsibilities have been defined and process-related tasks identified. In addition, we have added a sustainability reporting tool to our IT landscape that will make it easier for us to consistently collect sustainability figures across our global company network from the 2025 reporting year.

Another milestone in terms of sustainability was the validation of our climate targets by the Science Based Targets initiative (SBTi). Our goals correspond to the 1.5-degree target of the Paris Climate Protection Convention and are in line with the latest scientific findings. We have committed to reducing greenhouse gas (GHG) emissions to net zero by 2050, regardless of the expansion of our business, and we have set our near-term targets for the year 2034: By then, we want to reduce our company's direct and indirect emissions (Scope 1 and 2) by 80 percent and emissions in the upstream and downstream value chains (Scope 3) by 35 percent, compared to the base year 2023.

We can only manage this path with a workforce that lives by the principle of sustainability and with partners who are guided by the same idea. Particularly in the upstream value chain, close coordination with our suppliers is required to achieve the reduction target for Scope 3. In this respect, we build on existing relationships based on trust and cooperation in a spirit of partnership.

We want to be the partner of choice for our customers to improve their processes. In 2024, we prepared a strategic partnership with the German sensor company SICK in the area of process automation to better accompany our customers on the path to decarbonization. Advanced gas analysis and flow measurement technology by SICK is now an integral part of our instrumentation portfolio as of the beginning of 2025; around 800 sales and service staff worldwide have joined us, strengthening our expertise and giving us an even better opportunity to support companies in the process industry in increasing the efficiency of their plants and reducing their carbon footprint.

“Everyone realizes that something is happening on our planet. We need to act fast, but must not get lost in technical details and bureaucracy. Instead, suppliers, customers and other stakeholders should learn from each other really quickly. The better we manage to do this, the faster things will move in the right direction.”

Hernan Gomez, product-related carbon footprint project manager



Corporate governance

Endress+Hauser in profile

Endress+Hauser is a global leader in measurement technology and automation solutions. We help customers in the process industry to manufacture their products in a more efficient, more environmentally friendly and increasingly resource-efficient manner. Our core industries are chemical, food & beverage, water & wastewater, oil & gas, life sciences, mining, minerals & metals, and power & energy. Our offering includes products and services related to flow, level, pressure and temperature measurement, as well as the analysis of liquids, gases and solids. We provide industry expertise, application knowledge and digital competence, and as a company we stand for longevity and stability. This combination makes us unique. For our customers, this makes us a partner for the sustainable improvement of their processes and products.

Shareholder structure

The shareholder family's role in the company is described in the Family Charter. In this charter the shareholders state that Endress+Hauser should remain a successful family-owned company. The aim of the charter is to strengthen cohesion within the family over the long term and consistently isolate the company from family issues. Various institutions foster the family members' relationships with the company and introduce younger generations in particular to the company. The Family Council, which makes important decisions regarding the relationship between the family and the company, plays an important role in this respect. Here, the younger generation provides five of the nine members. The Family Council is made up of five women and four men. Sandra Genge and Steven Endress, two members of the third generation, have seats on the Supervisory Board of Endress+Hauser AG. The family shareholders also exert influence on Endress+Hauser AG at the company's annual general meeting.

Corporate governance

The Endress+Hauser Group comprises a network of 130 legally independent companies managed and coordinated by Endress+Hauser AG. Management is in the hands of the Executive Board of Endress+Hauser AG, chaired by the CEO. Since January 2024, Dr Peter Selders has taken on this role. Business and organizational regulations define the responsibilities and roles of the Executive Board and the independent Supervisory Board. As a supervisory body, the Supervisory Board oversees the work of the Executive Board by providing constructive feedback. President of the Supervisory Board is our former CEO Matthias Altendorf. Fundamental and far-reaching decisions are taken with the approval of the Supervisory Board, whose members are appointed at the shareholders' general meeting.

Embedding sustainability in the Group

Our aim is to reflect sustainability at all levels of our organization. To achieve this, we have taken the following measures:

- Positioning of the topic at supervisory level on the Supervisory Board through the specialist committee CARS (Committee Audits, Risk, Sustainability)
- Representation of the topic on the Executive Board via member specifically responsible for this issue
- Strategic management across the Group by a steering committee
- Consulting, support and harmonization across the Group by a sustainability office with several members
- Implementation at Group level in the core business processes
- Implementation in the Group companies by sustainability managers

Reporting mechanisms

In order to be able to report on our sustainability performance in a consistent and comparable manner, we will be following future mandatory reporting mechanisms such as CSRD and participate in voluntary reporting and ratings, specifically the Science Based Targets initiative (SBTi), the Carbon Disclosure Project (CDP) and the EcoVadis sustainability rating. EcoVadis has evaluated our sustainability performance with respect to the environment, labor and human rights, fair business practices and sustainable procurement since 2015. With 78 out of 100 points, we are among the top five percent of the companies assessed.

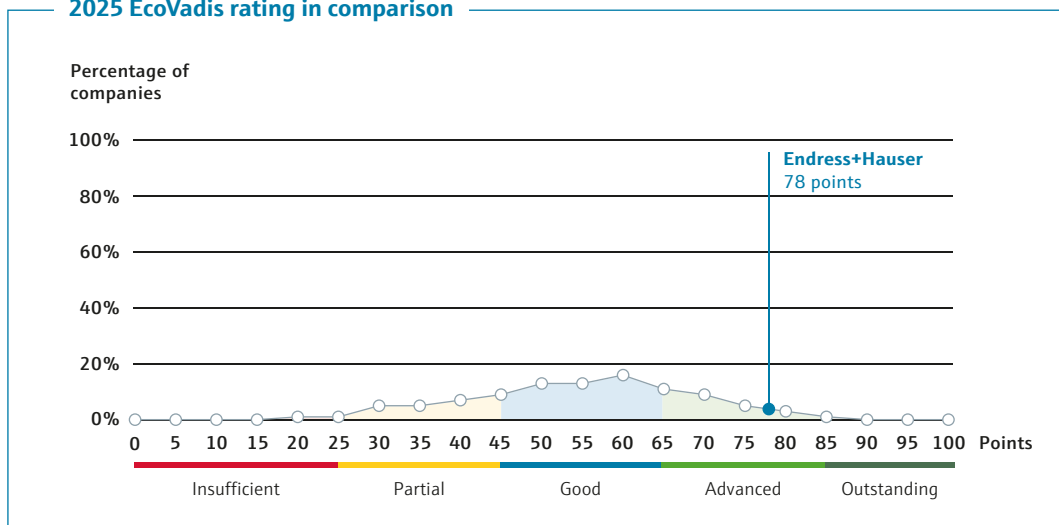
Double materiality assessment

We identified the key topics of our sustainability management in 2024 by carrying out a double materiality analysis (DMA). This formalized process includes analyzing the impact of the company’s own business activities on the environment and society (inside-out perspective or materiality of the impact). On the other hand, it determines how sustainability issues can affect the company’s own business and its economic performance (outside-in perspective or financial materiality). Based on this dual approach, we have identified 10 sustainability topics on which Endress+Hauser has a significant influence (positive or negative) or which could have a significant impact on our business model in terms of risks and opportunities.

We prepared our DMA with the assistance of an external consulting firm. As a first step, employees from various areas of the company took part in a survey to assess the extensive environmental, social and corporate governance matters listed in the European Sustainability Reporting Standards (ESRS). The participants were selected for their function, expertise and company affiliation in order to ensure a comprehensive view of the Group and the value chain.

In a second step, the results of this survey were assessed and categorized in qualitative interviews with colleagues representing various stakeholder groups, which enabled us to identify and evaluate the respective IROs – impacts, risks and opportunities – in detail. In a third step, the results were validated with top management.

2025 EcoVadis rating in comparison



The following 10 topics are essential for the Group. In accordance with the European Sustainability Reporting Standards (ESRS), these are assigned to the sections of Environment (E), Social (S) and Governance (G); the codes refer to the ESRS topical standards:

Environment: Climate protection (E1), Energy (E1), Substances of very high concern (E2), Water usage (E3), Resource inflows (E5)

Social: Working conditions of own workforce (S1), Equal treatment and equal opportunities of own workforce (S1), Human rights in own workforce (S1), Personal safety of consumers and end users (S4)

Corporate governance: Corporate culture (G1)

Issues that do not exceed the materiality threshold are already well managed or are less relevant to our business activities. In principle, all ESRS are the focus of our attention. We will also regularly update the double materiality analysis.

Sustainability data acquisition

In order to be able to report consistently on our key sustainability issues across the entire Group in future, we are relying on IT support from the central Sustainability Control Tower. This SAP tool allows us to automatically compile the many hundreds of data points from various data sources within our global company network.

We are making great efforts to harmonize heterogeneous data from various global sources, which is not only about the standardization of metric units such as gallons and liters, but also about the harmonization of different calculation methods, for example when calculating CO₂ emissions from company cars, which in some countries is calculated according to miles driven and in others according to fuel consumption. What's more, there are different regulatory environments: An accident on the way to work is considered an occupational accident in Germany but not in the USA. Certain data sources are also protected by national laws; for example, salary information that we need to calculate a possible gender pay gap is considered confidential in many countries.

We have included artificial intelligence in our Sustainability Control Tower, which carries out a plausibility check on the data. All reporting points are compliant with the requirements of the Greenhouse Gas Protocol, the CSRD and the EU taxonomy.

Corporate culture

The Endress+Hauser Group's corporate culture is still heavily influenced by the shareholder family and their representatives in the company. Our culture is formulated within the Spirit of Endress+Hauser and relies on numerous aspects of sustainable corporate management. Key elements include comprehensive responsibility for the company, a commitment to ethical behavior and a governance principle that does not aim for profit maximization. The Spirit of Endress+Hauser furthermore contains statements regarding customer relationships, the employees, a culture of quality and communications.

Ethics and compliance

As an internationally successful company, we operate in many different jurisdictions. The Endress+Hauser Code of Conduct provides a binding, Group-wide guideline for dealing with customers, coworkers, partners and suppliers. It encompasses guidance on products and services, personal integrity, corporate integrity, personnel policies, company assets and corporate responsibility. All employees undergo training in this area at least once every three years. They also receive anti-corruption training. Employees with online access within the EU are also trained to comply with the General Data Protection Regulation (GDPR).

Whistleblower system

Endress+Hauser employees around the world can use a whistleblower system to report possible violations of the Endress+Hauser Code of Conduct. An independent complaints team carefully processes all tips and initiates appropriate measures. This system ensures protection for whistleblowers and affected parties who contribute to the investigation of a possible violation. The information is handled within the framework of a confidential and fair process.

In addition, the Endress+Hauser Group has maintained a publicly accessible whistleblower system – "People and the environment". Employees, business partners such as suppliers, and third parties can confidentially report or anonymously submit information regarding potential human rights violations or environmental issues. We therefore comply with the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG).

Tax strategy

Through our tax payments at our locations and in the countries in which we operate, we contribute to the well-being of society. That means following not only the letter of the law but also the spirit. For this reason, we reject any business structures designed to evade taxes. We utilize tax advantages and tax relief only to the extent they accrue in the course of normal business operations and only if we are legally entitled to them. We strive at all locations to maintain a transparent, professional and constructive working relationship with



The people at Endress+Hauser bring our four brand values – excellence, commitment, sustainability and friendliness – to life.

tax authorities. This includes providing correct and timely information. In 2024, we paid a total of 119.1 million euros in income taxes worldwide. This equates to an effective tax rate of 22.6 percent. (All figures refer to the Group's operating business at the level of Endress+Hauser Management AG.)

Economic sustainability

We concentrate only on businesses we understand and which are a good fit for us. We believe profit is not the goal but the result of good management. The vast majority of our earnings remain in the company. Our equity ratio is 53.3 percent, cash and cash equivalents and financial assets together amount to EUR 773.1 million (based on the 2024 financial year in both cases). Based on this, we are well positioned to make the investments needed to ensure a solid and successful future, without relying on external sources, and to grow our Group from within. We essentially operate without bank loans and use these instruments only if internal financing is not possible or is unfeasible.

The company attempts to reduce uncertainty resulting from economic and sector-related developments, fluctuations in exchange rates, political events of worldwide significance or natural disasters by means of broad-based support in the market in terms of industries, regions and customer segments as well as products, solutions and services. The largest customers account for less than 1.5 percent of our net sales. We reduce financial risks from exchange and interest rates with the aid of derivative hedging instruments. Regional production facilities situated close to our customers lessen the impact of exchange rate fluctuations.

Product safety

Endress+Hauser's quality promise includes that our measuring devices meet the highest safety standards. We implement ISO 61508 for functional safety in almost all our devices. As concerns cyber security, with certification in line with IEC 62443-4-1, Endress+Hauser meets the highest industry standard for information security for measurement instruments and components. In concrete terms, this means products are developed from the start by taking into account the relevant security requirements. This is in addition to code analyses and reviews, as well as penetration tests and security updates. Endress+Hauser Digital Solutions, our product center for IIoT and digitalization, is certified in accordance with ISO 27001 for information security. Furthermore, external auditors have confirmed that our Netilion IIoT ecosystem meets the requirements outlined in ISO 27017.

We also contribute our expertise to expert committees that advance safety standards. We anticipate these constantly developing rules in our product specifications, product concepts and standards for product development.

Innovation

In 2024, we invested 275.6 million euros in research and development. That equates to 7.4 percent of our net sales. We applied for 285 patents at patent offices around the world. This is clear evidence of the Group's strong focus on innovation. In 2024, we launched 81 new products and added more than 1,700 product options. The intellectual property portfolio grew compared to last year and now comprises more than 9,000 active patents and patent applications.

More than 1,300 of our employees are working on the development of new products, solutions and services. Our offerings enable the efficient and resource-saving control of processes. We also consider the design of our instruments: In cooperation with an external partner, we have defined a sustainability strategy for our portfolio and identified starting points for optimizing the design of various types of instruments, starting with the metals used, the electronics or the power consumption during the product use phase. We are also investigating ways to design our instruments in such a way that they can be easily dismantled for recycling or integrated into a circular economy.

Last but not least, process improvements in manufacturing, logistics, IT and administration also contribute significantly to our success as a corporate group. That is something we acknowledge in all areas of our business by recognizing efforts and providing incentives for innovation.



“If we want to become climate neutral by 2050, all players in the supply chain have to reduce their emissions to net zero. We have therefore already agreed reduction targets with our main suppliers. In Europe, India and China, we also exchange ideas in person, and I have noticed a spirit of optimism among many partners. Sustainability is becoming an economic factor.”

Janaina Fagundes, principal for corporate social responsibility at Endress+Hauser Flow

Environment

Climate transition plan

Endress+Hauser intends to be GHG neutral across the entire value chain by 2050. In November 2024, the Science Based Targets initiative (SBTi) officially validated our company’s climate targets:

- We have made a commitment to reduce our GHG emissions by 90 percent by 2050 compared to the reference year 2023. We will offset the remaining 10 percent via permanent carbon removal and storage in accordance with the SBTi guidelines.
- As a near-term goal, we have committed to reducing absolute GHG emissions from energy consumption (Scope 1) and purchased energy (Scope 2) by 80 percent by 2034 compared to 2023. Emissions in the upstream and downstream value chains (Scope 3) are planned to be reduced by 35 percent in the same period.

These targets are in line with the 1.5-degree path of the Paris Climate Change Convention and the latest climate science. In a climate transition plan that we are currently working on we describe our way to achieving these ambitious goals while continuing to grow the company. Among other things, this plan outlines our climate strategy, operational implementation and financial planning. In order to assess how climate change and potential climate risks will affect our business model, we have analyzed two emissions scenarios: a low-emission scenario, which assumes that global warming can be limited to a maximum of 1.5 degrees Celsius by 2050 compared to pre-industrial levels, and a high-emission scenario that is based on a warming of around 4 degrees Celsius.

For these two analyses, we drew on scientifically based scenarios from the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). Among other things, we looked at health effects (e.g. absences from work) but also anticipated changes in demand and business opportunities (e.g. due to the trend towards greener products and an increasing need for measurement technology).

A key component of our climate transition plan is the net-zero roadmap, which describes in detail the measures we intend to use to implement decarbonization both in our own organization and along the entire value chain. This roadmap is currently being prepared.

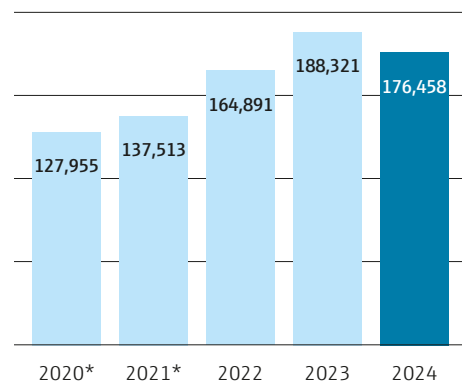
Energy demand and energy mix

The total energy demand of the Endress+Hauser Group (Scope 1 and 2) in the past year was 176,458 MWh, which means a decrease of six percent compared to the previous year and is due to lower consumption of natural gas and fuels for the vehicle fleet.

Electricity (95,403 MWh) accounted for 54 percent of the energy demand in 2024, 70 percent of which already originated from renewable sources (66,384 MWh). Seven percent of this green electricity was autonomously generated at our sites, while the rest was purchased. Our subsidiaries in Germany almost entirely relied on green electricity (95 percent). In some countries, we have already switched to 100 percent renewable electricity. These countries include Austria, Denmark, Finland, Italy, Norway, Sweden and Switzerland. Other countries have started to expand to renewable sources of energy. These include China (71 percent), India (61 percent) and Portugal (54 percent).

24 percent of our global energy requirement was covered by natural gas in 2024 (41,508 MWh). Diesel and gasoline accounted for another 20 percent, which is mainly tied to our vehicle fleet (35,522 MWh). Here too we are striving to reduce our greenhouse gas emissions, for example by gradually switching to electric vehicles where possible.

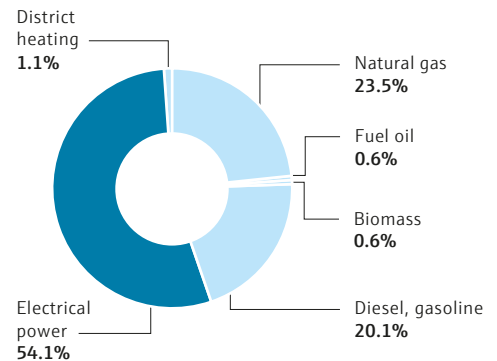
Use of energy in MWh (Scope 1 and 2)



* Limited comparability due to a change in methodology from 2022

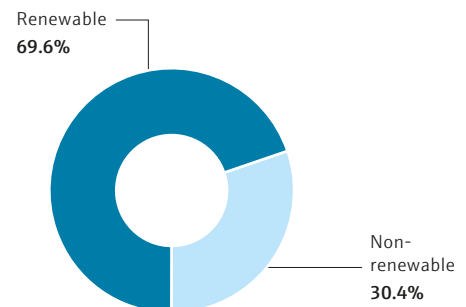
Energy demand

in MWh	2023	2024
Natural gas	45,262	41,508
Fuel oil	902	993
Biomass	1,072	1,011
Diesel, gasoline	46,147	35,522
Electrical power	93,191	95,403
District heating	1,747	2,021
Total	188,321	176,458



Electrical power demand

in MWh	2023	2024
Non-renewable	49,821	29,019
Renewable	43,370	66,384
– Own generation	4,657	4,632
– External supply	38,714	61,752
Total	93,191	95,403



Greenhouse gas emissions

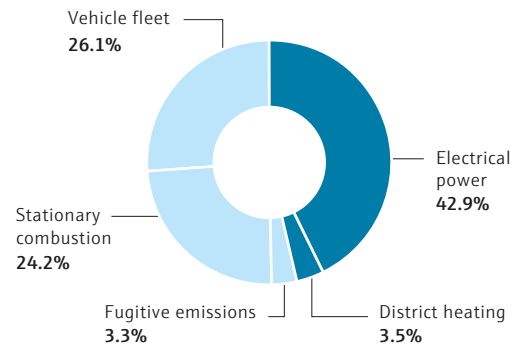
We tracked the Group-wide carbon footprint in accordance with the Greenhouse Gas Protocol and for better comparability converted emissions of greenhouse gases other than carbon dioxide into CO₂ equivalents (CO₂e) according to their global warming potential.

In 2024 greenhouse gas emissions amounted to 1.24 million tonnes CO₂e. In the Group's own area of responsibility, 29,658 tonnes CO₂e were generated, 54 percent of which is attributable to Scope 1, i.e. emissions from stationary combustion (7,177 tonnes CO₂e), mobile combustion from our vehicle fleet (7,753 tonnes CO₂e) and fugitive emissions

(979 tonnes CO₂e). The remaining 46 percent stems from energy that we purchased, such as electricity and local and district heating, and is thus allocated to Scope 2 (13,749 tonnes CO₂e). With a total of 1.21 million tonnes CO₂e, Scope 3 emissions are the most significant. This resulted first and foremost from the utilization of our durable instruments (612,009 tonnes CO₂e). Purchased products and services and capital goods also had a significant impact (446,747 tonnes CO₂e). The transport of purchased goods and components to our production facilities, as well as the transport of our products to customers, added 94,123 tonnes CO₂e in total to our Scope 3 emissions. Other Scope 3 emissions (58,819 tonnes CO₂e) are spread across fuel- and energy-related emissions, waste, business travel,

Greenhouse gas emissions Scope 1 and 2

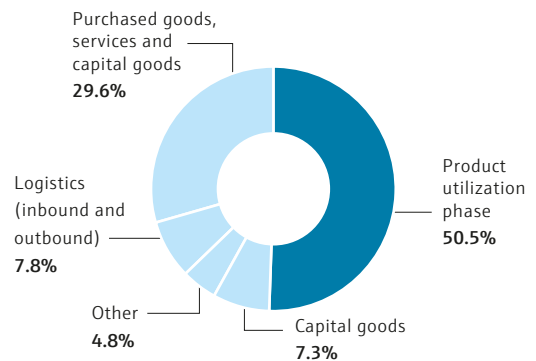
in tonnes CO ₂ e				
	2023	2024		SBTi near-term target*
Scope 1	18,970	15,909		
– Stationary combustion	8,270	7,177		
– Vehicle fleet	10,700	7,753		
– Fugitive emissions	-	979		
Scope 2	22,708	13,749		
– Electrical power	22,459	12,713		
– District heating	249	1,036		
Total Scope 1 and 2	41,678	29,658		8,336



* To be reduced by 80% by 2034 compared to the reference year 2023

Greenhouse gas emissions Scope 3

in tonnes CO ₂ e				
	2023*	2024		SBTi near-term target**
Product utilization phase	604,261	612,009		
Purchased goods and services	486,675	358,742		
Capital goods	86,019	88,005		
Logistics (inbound and outbound)	91,353	94,123		
Other	60,866	58,819		
– Fuel- and energy-related emissions				
– Waste				
– Business travel				
– Employee commutes				
– End of product life cycle				
– Investments				
Total Scope 3	1,329,174	1,211,698		863,963



* Prior-year figures adjusted

** To be reduced by 35% by 2034 compared to the reference year 2023

employee commutes, products at the end of their life cycle and investments. Compared to the previous year, this equates to a calculated reduction of around 10 percent, which results from methodological adjustments in the calculation of purchased goods and services.

Product-related carbon footprint

Since 2024, we have been providing information on the product carbon footprint (PCF) for our lead products on endress.com. They include all GHG emissions up to the point where the product leaves the factory ('cradle to gate'), i.e. GHG emissions caused by the extraction of raw materials, upstream logistics, intermediate products and production.

Given that around three million devices are sold each year, most of which are manufactured on a customer-specific basis at various locations with different supply chains, calculating such a device-specific PCF is a complex task. In a first approach, we made the calculations using secondary data on country-specific variables, but we are currently collaborating with our suppliers to further develop our PCF information into a primary data-based Environmental Product Declaration.

By providing such data, we meet market requirements and help our customers to calculate the carbon footprint of their plants. At the same time, this allows us to align our portfolio more specifically with sustainability criteria: PCF data shows which source materials or appliance parts generate a particular emission load, which in turn helps us to identify particular levers for reduction that we can use to redesign our devices or can take into account when we are designing new instruments.

Scope 1 and Scope 2 measures

Our Scope 1 and Scope 2 measures for reducing emissions can be implemented relatively quickly. Apart from increasing the share of renewable energy, the activities will also include the expansion of electromobility and efficiency measures. We have set up a CO₂ dashboard so that our Group companies can see where they stand on their path to our near-term emission reduction target for 2034. This tool shows the individual Group companies the extent of their emissions through the use of fuels (Scope 1) as well as the external procurement of electricity and heat (Scope 2), and also indicates the share of green energy. Emissions from our vehicle fleet are also transparently represented.

Scope 3 measures

Scope 3 presents the greatest challenges. At 358,742 tonnes CO₂e, more than a third of our total GHG emissions are generated on the procurement side. The greatest impact here is the steel and aluminum that goes into manufacturing our measurement instruments. Therefore, we are working intensively on the use of green steel and green aluminum. However, there is currently no global market for these materials. Their availability will largely depend on the expansion of global capacities for green electricity and hydrogen.

Until a corresponding market has developed, we are relying on other ways to improve the carbon footprint of our products. We are increasingly sourcing low-emission primary products, e.g. from suppliers that utilize green electricity and low-emission raw materials. In a pilot project, corresponding target agreements have already been made with important suppliers, and concrete action plans for reducing emissions on the supplier side have been prepared. A newly created function at Group level will identify and establish suitable processes to reduce the GHG footprint of our instruments in collaboration with our suppliers. In addition, procurement and innovation work closely together, as we focus not only on materials but also on design.

When designing our devices, we look for ways to further extend their service life, for example by allowing hardware to be partially retrofitted. In many instances, measurement devices are swapped out after 15 to 20 years because of their electronics or because newer devices offer advanced software functionalities. Other possibilities include the miniaturization of electronics with their own housing or the elimination of displays on devices that can be operated wirelessly. Not least, we are examining to what extent material requirements can be further reduced by design and whether our customers would support such measures.

Another area of action regarding Scope 3 is the utilization phase of our durable measuring devices in our customers' plants. Around 612,009 tonnes CO₂e and therefore just under half (49 percent) of our carbon footprint is attributable to this phase. Individual product centers are researching ways to reduce the demand for electrical energy. In the field of analysis instruments, we are looking for ways to recycle extracted methane instead of emitting it. We are investigating the possibilities of the circular economy and are, among other things, working towards making our instruments easier to dismantle and recycle.

EU taxonomy

With the EU Taxonomy Regulation, the European Union aims to channel capital flows into sustainable investments. The regulation was developed as part of the European Green Deal and is intended as a classification system that uses specific test criteria to comprehensively determine whether an economic activity is considered environmentally sustainable.

The EU taxonomy is therefore geared towards the following six environmental objectives:

- Climate protection (mitigation)
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

A principal distinction is made between taxonomy-eligible and taxonomy-compliant economic activities: Taxonomy-eligible activities are those that are described in the EU taxonomy and have the potential to support one of the stated environmental objectives. An economic activity is considered to be taxonomy-compliant (or aligned) if it also fulfills all associated assessment criteria and thereby significantly supports one environmental objective without significantly harming another.

Companies that fall under the EU taxonomy are obliged to annually disclose the extent to which their economic activities contribute to one or several of the said environmental objectives. To prove this, they have to disclose the taxonomy-eligible and taxonomy-compliant share of their turnover, their capital expenditure (CapEx) and their operating expenditure (OpEx). The requirement is that their respective economic activity is described in the EU taxonomy. Under the taxonomy, Endress+Hauser is allocated to the group "Manufacture of electrical and electronic equipment". The relevant economic activities in this group can be found in the environmental objective "Transition to a circular economy".

As a manufacturer of industrial measurement technology, we have to cope with particular challenges with regard to this environmental goal, because the assessment criteria for the circular economy are based on goods with a comparatively short lifespan for consumers, whereas, given that we are an electronics manufacturer for industrial customers, the longevity of our products for us is a central concept. We achieve this through robust design, professional maintenance (in part inherent to the device through our Heartbeat Technology), repair and

the availability of spare parts. The assessment criteria of the EU taxonomy do not reflect this significant contribution to sustainability. They also take only limited account of our industrial practice: Our measuring instruments are installed in larger systems, mostly industrial plants. Their life cycle usually ends when the entire system is taken out of service, a process that is carried out by trained technicians and engineers, which also sets us apart from the consumer goods industry.

We are diligently implementing the reporting requirements of the EU taxonomy, while striving to convey a clear, consistent picture of our commitment to sustainability:

According to the EU taxonomy, our **sales** are considered fully taxonomy eligible, as the economic activity of manufacturing electrical and electronic equipment is listed in the relevant categories of the taxonomy. The underlying global sales figures correspond to the information in our financial reporting.

However, our sales are not currently classified as taxonomy compliant. Our products significantly contribute to resource conservation and sustainability since they are durable, can be repaired and are energy efficient, but we cannot adequately reflect these strengths with the assessment criteria of the EU taxonomy for the circular economy.

As concerns our **operating expenses** (OpEx), the category of "Non-capitalized research and development (R&D) costs" is by far the most significant taxonomy category for our company, while the amounts in other categories are negligible. We therefore assume the Group's R&D costs as the relevant value. We are also considered 100 percent taxonomy capable in this area.

Nevertheless we are currently unable to report any of these R&D costs as taxonomy compliant, as our products supporting the circular economy described by the EU do not at present fully meet the technical test criteria. Our innovation strategy therefore concentrates on further improving sustainability aspects requested by our customers, such as low carbon footprint, durability, reparability and energy efficiency of our products, while we keep track of the development of further EU directives on eco-design.

In the area of our **capital expenditure**, just over half of our economic activities are taxonomy eligible. This includes our investments in sustainable means of transportation, solar systems and heat pumps as well as new buildings. Currently, four percent of our capital expenditure is taxonomy compliant. This primarily includes our investments in electrification. As most photovoltaic projects have already been completed, there are hardly any significant investments left. We build new buildings sustainably; however, we would have to prove this with appropriate certificates in line with the EU taxonomy.

- 1
More than 1,300 of our over 17,000 employees worldwide are involved in the development of new products, services and solutions.
- 2
Endress+Hauser sells around three million device units a year. Most of them are manufactured to customers' individual requirements.
- 3
Our measurement technology enables the safe, reliable, economical and eco-friendly operation of process plants.

1



3



2

Substance and materials handling

Endress+Hauser is committed to complying with all relevant laws and regulations regarding the handling of materials and substances. We provide a wide range of declarations of conformity for various materials and substances. These include the European and Chinese RoHS guidelines (restriction of hazardous substances) and the EU regulation REACH (registration, evaluation, authorization and restriction of chemicals), as well as declarations regarding conflict minerals and drinking water. These declarations can be downloaded from our website.

Given that our customers can individually configure the vast majority of the products in the Endress+Hauser portfolio when ordering, device-specific information related to material compliance is highly complex. We continue to work on software solutions to provide even more detailed information in the future and to fully comply with the requirements.

Product safety and recalls

Endress+Hauser measurement instruments are sold through our own sales centers or select partners in more than 125 countries around the world. Our central device and service database contains data related to more than 64 million instruments, sensors and components. In the case of service, this allows us to contact and provide targeted and proactive assistance to customers with a potentially malfunctioning instrument. We can use a dashboard to monitor and ensure that this occurs within a specific period of time.

Water consumption

For Endress+Hauser, water is not a primary raw material but is mainly used in sanitary facilities and for cleaning buildings. We also need water for certain sensor tests. In most cases our entities are located in industrial areas with connections to the public water system. In 2024, our water consumption amounted to 290,416 cubic meters, a decrease of 10 percent from the prior year.

Waste and recycling

Waste accumulation within the Endress+Hauser Group is strongly influenced by factors such as growth in units produced, demand-driven changes in the product mix or special effects such as construction work or inventory adjustments. In the past financial year, we accumulated 2,581 tonnes of municipal waste worldwide, 14 percent less than the prior year. The volume of hazardous waste increased by 50 percent to 851 tonnes, because soil had to be removed and disposed of as hazardous waste as part of a construction project in Germany. The amount of scrap metal rose 20 percent to 1,659 tonnes. The volume of electronic scrap increased eight percent during the reporting period to 72 tonnes. Individual locations reduce waste and conserve resources through recycling.

Certification and auditing

How to deal with social and environmental standards is a vital part of many procurement processes. Our product centers are certified in accordance with ISO 9001 (quality management). More than four-fifths of our production sites are certified in line with ISO 14001 (environmental management) and ISO 45001 (occupational health and safety). Some are also ISO 50001 certified (energy management).

Products and solutions for sustainability

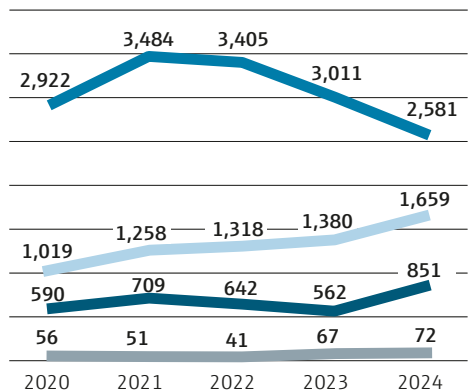
As a close partner for companies in seven key industries from food & beverage to oil & gas (see Endress+Hauser in profile, page 80), we contribute to the sustainable transformation of the process industry. We are at the forefront of developing new technologies and are serving new markets that are emerging as a result of the energy transition and the orientation to a circular economy. This strength of our offering is also reflected in our materiality analysis (see page 81) with the key topics of climate protection, energy and energy management, and water usage.

Numerous production processes currently need to be adapted, optimized or redesigned over the course of decarbonization. Endress+Hauser supplies the measurement technology needed to control these processes safely, resource efficiently and economically. Thanks to digital communication, our measurement technology also creates transparency and reveals potential for process improvements. The energy efficiency of core processes and utilities is one of the biggest levers on the way to net zero. Utilities such as steam, compressed air, heat, cooling or industrial gases offer numerous starting points for reducing greenhouse gas emissions.

We already offer a wide range of measurement solutions and are simultaneously working on new developments. Key topics include the production, transport and utilization of hydrogen, particularly green hydrogen, filtering CO₂ from the air (direct air capture) and carbon capture, usage and storage at the emissions site. We regularly publish individual examples of how our customers achieve a significant increase in sustainability with the help of measurement solutions on endress.com.

Waste accumulation

(in tonnes)



Social

Human rights

We firmly believe that integrity and ethical behavior are among the most important pillars of a sustainably successful company. We are therefore committed to respecting and safeguarding human rights as outlined in internationally recognized human rights principles and the United Nations Guiding Principles on Business and Human Rights.

Overall responsibility for respecting and safeguarding human rights lies with the Executive Board of the Endress+Hauser Group. Monitoring and control of human rights-related activities is delegated to the Group's human rights officer, a position that reports to the Executive Board. Endress+Hauser wants to ensure adherence to human rights and environmental obligations and minimize the risk of violations. To ensure due diligence, we maintain a human rights and environmental risk management system for our own business area and supply chains.

Responsible supply chain management

We rely on a wealth of preventive measures within the framework of our risk management system to ensure that our suppliers adhere to human rights and environmental standards. We expect our suppliers to sign the ZVEI (German Electro and Digital Industry Association) code of conduct or comparable common industry codes of conduct. In addition, we carry out general preventive measures such as online training programs, supplier days and on-site visits. We also use risk analysis software that monitors suppliers for potential violations by screening online media. This risk management system allows us to meet the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), as well as the Swiss Ordinance on Due Diligence and Transparency regarding Minerals and Metals from Conflict-Affected Areas and Child Labor (VSoTR).

Workforce in numbers

On a global basis, the average years of service for Endress+Hauser employees is 9.8. The Group-wide turnover rate (excluding internal job transfers) is 4.3 percent, and thus higher than in the previous year (2023: 3.7 percent). At the end of 2024, a total of 17,046 people (including temporary contracts) were employed by the Endress+Hauser Group, 514 more than the previous year. The creation of new jobs was once again especially strong in production.



“It is becoming increasingly important for companies to prove their own sustainability performance with key figures. It’s not just customers who ask for this – various legal regulations also require relevant reporting. With the Sustainability Control Tower, Endress+Hauser has introduced an IT system that allows data to be collected, harmonized and validated consistently across companies in the future.”

Enrico De Stasio, head of corporate quality, lean and IT



1

1
Endress+Hauser considers diversity a competitive advantage. Diversity is therefore strengthened in a targeted manner.

2
Our family-owned company relies on collaboration. We are convinced that lasting success can only be achieved through the open exchange of ideas and constant cooperation.

2



At the end of 2024, people from 115 nations worked for the Endress+Hauser Group. Women represent 30.2 percent of the workforce, which is only a minor change compared to the prior year (2023: 30.1 percent) and a high figure compared to other companies in the industrial sector. The age groups are equally distributed across the Group, with little change compared to 2023.

Employer attractiveness

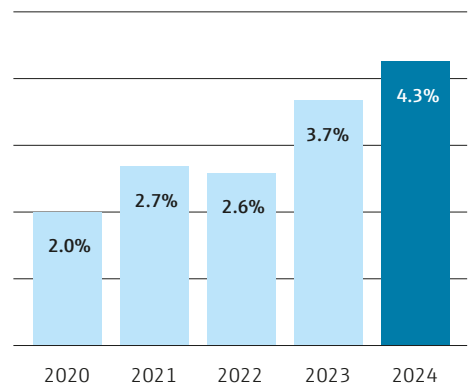
We view the creation, development and preservation of secure jobs as an important part of our corporate social responsibility. To create a good working environment for our employees, we offer function-based, performance-related compensation, above-average social benefits, good opportunities for career development and a program that allows them to strike an effective work-life balance, including additional vacation days for caring for relatives and flexible work models. We furthermore invest in the health of our employees and promote their growth through targeted personnel development and training programs.

As a technology company, we rely on qualified specialists and want to attract the best employees, independent of gender, age, ethnic origin, religious or philosophical convictions or sexual orientation. We have laid down this principle in a human rights policy. Fair and gender-neutral compensation based on comprehensible criteria is also important to us. The basis is the respective function, in addition to criteria such as individual performance, responsibility, qualifications and experience.

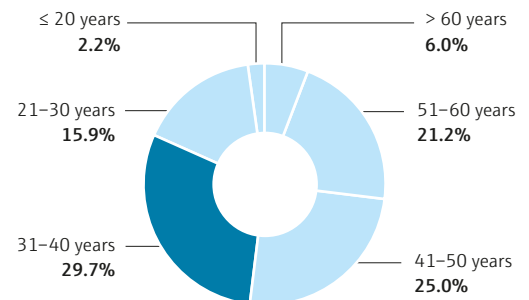
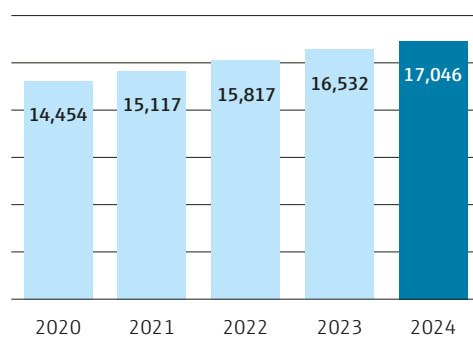
To attract new employees who are a good fit for us, the Endress+Hauser Group strives to continuously improve the working conditions for its employees. We try to position ourselves clearly in our role as an employer both internally and externally. On the one hand, our revised employer branding concept ensures consistency of messages and a coherent employer identity. On the other hand, it enables our entities to address specific target groups and local needs effectively and thus act quickly and flexibly. We monitor the satisfaction of our employees with regular surveys based on a Group-wide standard to ensure the results provide a comparison.

Employee turnover

excluding internal job transfers (in percent)



Employees of the Endress+Hauser Group and demographics structure*



* Demographics excluding temporary contracts

Promoting diversity

A diverse workforce not only reduces risks but also makes us more resilient against crises. It also increases productivity, fosters innovation, improves customer loyalty, intensifies the feeling of solidarity and helps us compete for talent. In order to specifically strengthen diversity, we have placed a focus on promoting women. By 2030, Endress+Hauser wants to increase the share of women in management positions to around 30 percent and for the workforce as a whole to 40 percent.

To reach these goals, our global initiative the Women's Integrated Network (WIN) has defined several areas of focus: an employer brand that appeals to women, a career development program geared toward women as well as men, flexible work models, measures to address unconscious bias in recruitment and the use of networks to draw the attention of female professionals to Endress+Hauser. Apart from that, female role models in the company should become more visible.

Clear success factors have become apparent in the Group companies that have made significant progress along this path: It requires the commitment of managers, the integration of diversity into HR processes and a corresponding culture with role models. We have therefore set further impetus at Group level in 2024: Our license-to-hire training courses, which we use to sensitize our HR managers to unconscious biases, were further expanded in the course of new train-the-trainer courses throughout the Asia-Pacific region and in other larger Group entities. The new training module "Impact and Gravitas for Women" addresses issues such as different communication styles and the question of one's own visibility within the company. Another new training course, "Diversity, Equity & Inclusion", offers all employees – regardless of hierarchical level or gender – assistance on how to achieve diversity, equal opportunities and inclusion in day-to-day business.

Young talent and personnel development

Well-trained professionals are key to the success of our company. At the same time, we also believe that our commitment to vocational training of young people is a way of demonstrating our social responsibility: Skilled junior staff benefit not only us but also our communities. We therefore promote training and studies beyond our immediate needs and aim to achieve a training ratio of five percent of the workforce worldwide. We are particularly committed to dual vocational training models (see page 77) and therefore enable and promote country-specific training programs worldwide. At the end of 2024, 636 young people in the entire Group were undergoing an apprenticeship

or vocational training, studying with Endress+Hauser at a university or university of applied sciences or were involved in our company as external students. This equates to a training ratio of 3.7 percent.

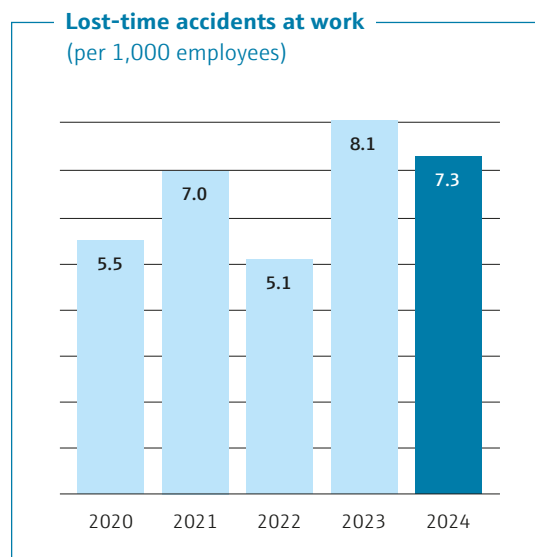
Occupational health and safety

With respect to Group-wide occupational safety, we put significant effort into ensuring our employees enjoy a safe, pleasant and productive work environment, which includes safe and ergonomic workplaces as well as protection against physical and psychological hazards. In 2024, the rate of occupational accidents with lost time decreased to 7.3 per 1,000 employees (previous year: 8.1).

We initiate accident prevention, risk awareness and work safety measures at our locations. Our occupational safety specialists are generally involved in workplace-related decisions at a very early stage. Company restaurants at numerous locations all around the world offer our employees a varied and well-balanced selection of nutritional meals. Added to that are numerous campaigns and activities related to health promotion and prevention. The guiding principles of our occupational health and safety program, which are defined in a health and safety policy, are monitored on a regular basis.

Social engagement

Endress+Hauser is engaged in volunteer activities wherever the company is located in the world. We sponsor select projects involving social, cultural, educational, scientific and sports activities, as well as the promotion of young talent. In the area of charitable contributions, we focus our assistance mainly on non-profit initiatives and social organizations.



Our employees are also willing to be active for a good cause. In the Endress+Hauser Water Challenge, employees raise funds through charity runs to give people worldwide access to clean drinking water, with the company doubling the amount donated. The funds go to select aid projects in Asia, South America or Africa. We have thus taken our business commitment to a safe, efficient and eco-friendly water supply and transferred it to the non-profit sector.

Endress+Hauser also maintains research and educational partnerships with scientific institutions and training centers around the globe. Contributions for our donation and sponsorship activities, as well as for research and education partnerships in the form of financial aid, contributions in kind or personnel deployment, are so far not recorded centrally because these activities are the responsibility of the Endress+Hauser Group entities.

Customer, partner and supplier relationships

Long-term success is possible only by sharing ideas and maintaining a constant dialogue. We are convinced that combined strengths make us more successful. This philosophy is reflected in the way we manage our relationships with customers, business partners and suppliers around the world, which calls for maintaining an open and constructive dialogue with all our stakeholders.

We try to earn this trust by regularly measuring their level of satisfaction. We systematically analyze those aspects that can be optimized and address them with individual measures to continually improve. Regular survey cycles reveal long-term developments and make the success of the various actions visible and measurable. Loyal relationships show that trust-based collaboration and learning from one another is beneficial to all parties involved. This is what carries us right now, as we strive for a sustainable transformation of the process industry.

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Editorial team

Michael Loh, Lene Pundt, Martin Raab (editorial management), Julia Schempp, Christoph Stockburger, Kirsten Wörnle

Translation, language adaptation

Thomas Adolph, Down Under Translation,
Helen White

Photography

Adobe Stock, Pino Covino, Endress+Hauser,
Christoph Fein, Pauline Kupper, Andreas Mader,
Kristoff Meller, Benedikt Ruf, Julian Salinas,
Unsplash, Andreas Zimmermann

Production, design, photo editing

3st kommunikation GmbH, Mainz, Germany
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People for Process Automation

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