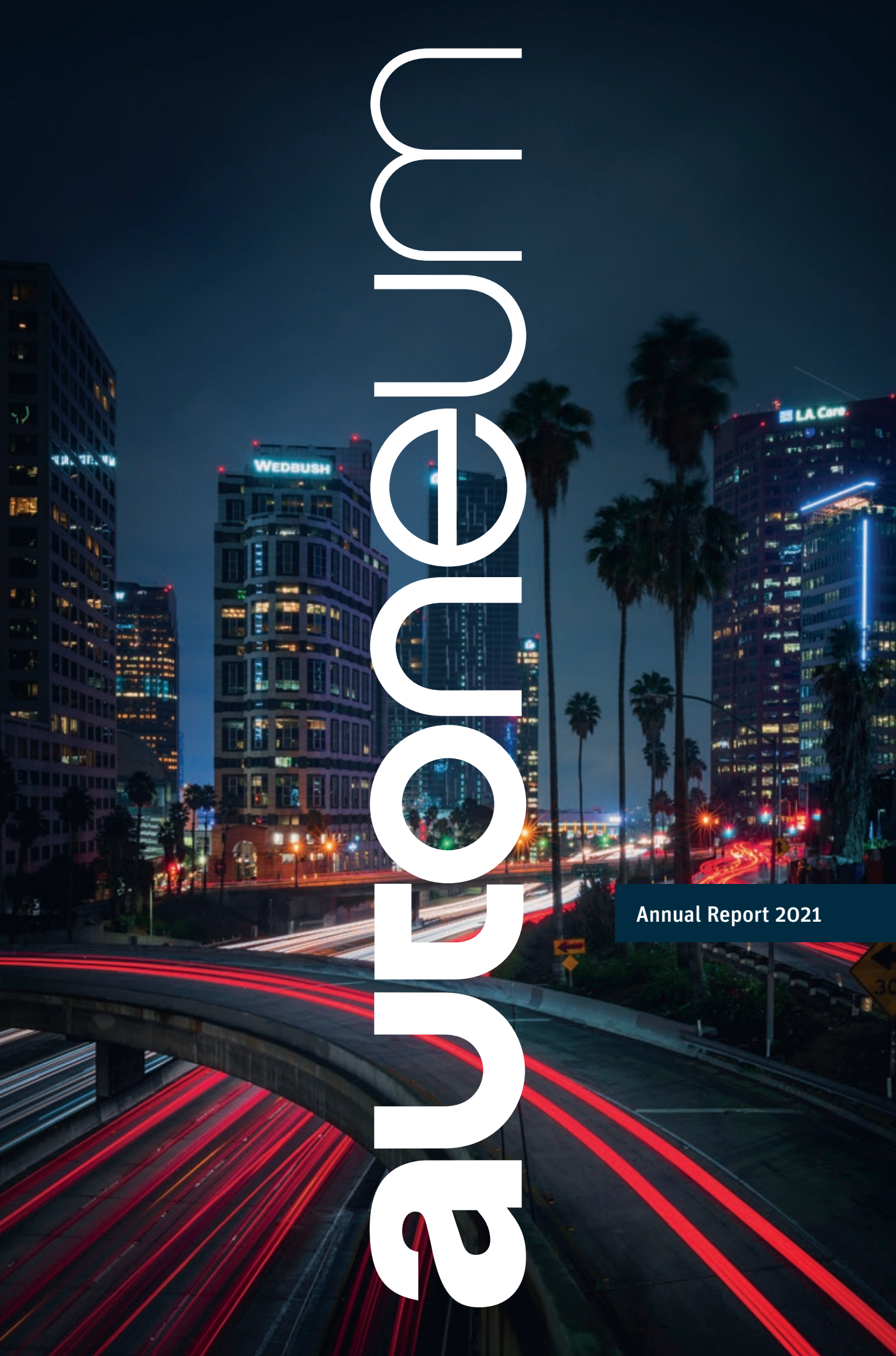


# murphy

Annual Report 2021



# Autoneum at a glance

Autoneum is the global market and technology leader in acoustic and thermal management for vehicles and partner to automobile manufacturers around the world. The Company develops and produces multifunctional, lightweight components for optimum noise and heat protection. The innovations of Autoneum make vehicles quieter, lighter, and safer and help to reduce fuel consumption and emissions.

**1 700.4**

Revenue in CHF million

**-1.6**

Organic revenue change  
in %

**11 840**

Number of employees

**3.4**

EBIT margin in %

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**Hans-Peter Schwald (l)**  
Chairman of the Board

**Matthias Holzammer**  
Chief Executive Officer

# Autoneum grows profitability and earnings in a difficult environment

Dear shareholders

We saw a number of global challenges again in 2021. The worldwide shortage of semiconductors dampened market development in the automobile industry. Although production volumes were almost the same in 2021, the year was more challenging from an operational perspective than 2020 was; supply chain bottlenecks led to short-term and unplanned production downtime at automobile manufacturers throughout the year. This resulted in frequent interruptions in production at Autoneum as well because of closely connected manufacturing processes. Rising costs for raw materials, energy, and transport presented additional challenges.

Despite the challenging environment and weak global production volumes, Autoneum managed to return to profitability in 2021, generating a positive net result. Thanks to further operational improvements and optimization measures in all organizational areas, earnings were improved in all four Business Groups.

## **REVENUE DEVELOPMENT INFLUENCED BY SEMICONDUCTOR SHORTAGE**

Automobile production in 2021 as a whole increased by 3.4% to 77.1 million vehicles and thus remained still well below the 2019 level (89.0 million vehicles). Autoneum's revenue in local currencies declined by 1.6% year-on-year. Although revenue in three of four regions developed better than the market, the Company was below global market development. On the one hand, this is due to the fact that some vehicle models of US manufacturers predominantly supplied by Autoneum were disproportionately affected by the semiconductor shortage. On the other hand, Business Group Asia, which outperformed the market, accounted for a smaller share of Autoneum's total revenue. The consolidated revenue in Swiss francs fell by 2.3% compared to the previous year to CHF 1 700.4 million (2020: CHF 1 740.6 million).

# Financial Highlights

CHF million	2021		2020		Change	Organic change <sup>1</sup>
<b>Autoneum Group</b>						
Revenue	1 700.4	100.0%	1 740.6	100.0%	-2.3%	-1.6%
EBITDA	179.8	10.6%	148.5	8.5%	21.1%	
EBIT	57.5	3.4%	27.8	1.6%	106.7%	
Net result	30.1	1.8%	-10.7	-0.6%		
Return on net assets (RONA) <sup>2</sup>	4.5%		1.3%			
Free cash flow	71.1		112.5			
Net debt at December 31 <sup>3</sup>	251.4		271.7			
Number of employees at December 31 <sup>4</sup>	11 840		12 774		-7.3%	
<b>BG Europe</b>						
Revenue	636.9	100.0%	641.8	100.0%	-0.8%	-1.6%
EBIT	32.2	5.1%	21.5	3.3%		
<b>BG North America</b>						
Revenue	687.0	100.0%	753.5	100.0%	-8.8%	-7.2%
EBIT	-37.5	-5.5%	-43.6	-5.8%		
<b>BG Asia</b>						
Revenue	281.0	100.0%	254.1	100.0%	10.6%	6.7%
EBIT	39.3	14.0%	22.2	8.7%		
<b>BG SAMEA<sup>5</sup></b>						
Revenue	94.7	100.0%	88.4	100.0%	7.1%	24.8%
EBIT	15.7	16.6%	10.9	12.3%		
<b>Share AUTN</b>						
Share price at December 31 in CHF	169.70		161.60		5.0%	
Market capitalization at December 31	788.5		749.6		5.2%	
Basic earnings per share in CHF	4.91		-5.45			
Dividend per share in CHF <sup>6</sup>	1.50		-			

<sup>1</sup> Change in revenue in local currencies, adjusted for hyperinflation.

<sup>2</sup> Net result before interest expenses in relation to average shareholders' equity plus borrowings.

<sup>3</sup> Net debt excl. lease liabilities at December 31.

<sup>4</sup> Full-time equivalents including temporary employees (excluding apprentices).

<sup>5</sup> Including South America, Middle East and Africa.

<sup>6</sup> As proposed by the Board of Directors and subject to the approval of the Annual General Meeting.



## **OPERATING PROFIT AND POSITIVE GROUP NET RESULT THANKS TO IMPROVEMENTS IN ALL SEGMENTS**

Although volumes were just about as high as in 2020, production output was considerably more challenging in 2021. Production at vehicle manufacturers was stop and go and characterized by frequent interruptions – which led to planning uncertainty and required a continuous readjustment of resources (staff, raw materials) in line with customer call-off behavior, which changed at short notice. Furthermore, increasing inflation around the world not only had a negative impact on raw material prices, but also increased energy and transport costs.

The impact of the semiconductor shortage on business worsened over the course of the year, although the low point was reached in September and October. While the semiconductor shortage has not yet been overcome, there was an improvement and a slight recovery in the market at year-end.

Autoneum performed well in this challenging market environment, generating a net profit in the financial year 2021. Despite the considerable challenges, all four Business Groups managed to improve profitability. Significant drivers in this regard were the consistently implemented efficiency optimizations at plants and the resulting increase in operating performance as well as further improvements from the turnaround in North America. The positive effects of the turnaround program, which is proceeding as scheduled, were muted by the low production volumes, but they were nonetheless clearly discernible in the 2021 financial year. On balance, Autoneum was able to more than double its EBIT in 2021 compared to the previous year by CHF 29.7 million to CHF 57.5 million. The EBIT margin improved to 3.4% (2020: 1.6%). After deduction of the financial and tax result, the net profit for 2021 as a whole was CHF 30.1 million (2020: net loss of CHF 10.7 million).

## **NET PROFIT AND POSITIVE FREE CASH FLOW ENABLE AN INCREASE IN EQUITY RATIO AND A FURTHER REDUCTION OF NET DEBT**

The equity ratio increased to 30.0% as of December 31, 2021, an increase of 7.2 percentage points compared to the previous year (December 31, 2020: 22.9%) and was thus also above the ratio for 2019 (December 31, 2019: 27.1%). This was mainly due to the improvement in the net result by CHF 40.7 million to CHF 30.1 million as well as the reduction in the balance sheet total by CHF 306.1 million. This reduction resulted primarily from the repayment of credit lines, which had been drawn down in 2020 as a precaution. In addition, the Company was able to repay the two subordinated shareholder loans in the financial year 2021. On the basis of the improved net result, a positive free cash flow of CHF 71.1 million was generated (2020: CHF 112.5 million). The positive free cash flow helped to further reduce net debt (excluding lease liabilities) by CHF 20.3 million to CHF 251.4 million (December 31, 2020: CHF 271.7 million).

## **BOARD OF DIRECTORS PROPOSES A DIVIDEND OF CHF 1.50**

On the basis of this progress and the positive net result, the Board of Directors of Autoneum Holding Ltd will propose a dividend of CHF 1.50 per share to the Annual General Meeting on March 23, 2022.

## PERSONNEL CHANGE ON THE BOARD OF DIRECTORS

This E. Schneider has informed the Board of Directors that he will not stand for reelection as a member of the Board of Directors at the next Annual General Meeting on March 23, 2022. This E. Schneider has been a member of the Board of Directors and Chairman of the Compensation Committee since the Company was founded in 2011. With his entrepreneurial knowledge and his extensive industry experience, he has made a significant contribution to the development of Autoneum. The Board of Directors thanks him for his enormous dedication and excellent collaboration and wishes him much success for the future.

## BUSINESS GROUPS

Business Group Europe posted a decline in revenue of 1.6% in local currencies and was thus significantly above the market development, which saw production fall by 3.9%. Revenue in Swiss francs decreased to CHF 636.9 million (2020: CHF 641.8 million). It is therefore all the more pleasing that Business Group Europe managed to increase EBIT by CHF 10.8 million to CHF 32.2 million year-on-year (2020: CHF 21.5 million) despite the declining market. As a result, the EBIT margin increased by 1.7 percentage points to 5.1% (2020: 3.3%). At the operational level, digitalization was furthered with Autoneum's Manufacturing Excellence System (MES). At several European plants, projects to automate logistics using driverless transport systems (DTS) were introduced and the automation of production was implemented systematically.

By contrast, revenue for Business Group North America in local currencies dropped by 7.2% and was thus well below the market, which saw a small increase of 0.2%. The vehicle models of US customers predominantly supplied by Autoneum were disproportionately affected by the shortage of semiconductors, as a result of which Autoneum lagged behind the market development in this region. Inflation and the irregular utilization of production capacity therefore represented an especially major challenge. Because of the declining market trend and negative currency effects, the revenue of Business Group North America in Swiss francs fell by CHF 66.5 million to CHF 687.0 million (2020: CHF 753.5 million). Despite the decline in revenue and the resulting loss of contribution margin as well as increased costs for raw materials, Business Group North America managed to reduce its deficit at the EBIT level in 2021 by CHF 6.1 million to CHF -37.5 million (2020: CHF -43.6 million). The main drivers of these enhanced earnings were continuous improvements made under the turnaround program.

The Asian market was least affected by the global shortage of semiconductors in the financial year. Accordingly, Asian automobile production in 2021 performed the best compared to other regions, with growth of 6.4%. Business Group Asia once again exceeded the overall Asian market, with organic revenue growth of 6.7%. Revenue in Swiss francs increased to CHF 281.0 million (2020: CHF 254.1 million) and was thus even slightly better than the pre-crisis level of 2019 (CHF 275.7 million). Thanks to the increased utilization of its capacities, Business Group Asia was able to improve its EBIT in financial year 2021 by CHF 17.1 million to CHF 39.3 million (2020: CHF 22.2 million), with positive effects of CHF 4.8 million coming from the reversal of special impairments. Year-on-year, the EBIT margin improved by a considerable 5.3 percentage points to 14.0% (2020: 8.7%).



Business Group SAMEA (South America, Middle East and Africa) also significantly outperformed the market during the year. Although 10.4% more vehicles were produced in the region compared to the previous year, Business Group SAMEA's revenue rose by an impressive 24.8% on an inflation- and currency-adjusted basis. This growth was largely supported by high-volume programs in Turkey and South Africa. As a result of the sharp depreciation in various currencies in the SAMEA region, revenue consolidated in Swiss francs only rose by 7.1% to CHF 94.7 million (2020: CHF 88.4 million). In line with the improved capacity utilization, Business Group SAMEA was able to increase its EBIT to CHF 15.7 million during the reporting year (2020: CHF 10.9 million); this corresponds to an increase in the EBIT margin of 4.2 percentage points to 16.6% (2020: 12.3%).

## **INNOVATION LEADERSHIP FOR A SAFE JOURNEY TOWARDS A CLIMATE-FRIENDLY FUTURE**

Advancing electrification and sustainability are the dominant trends in the automobile industry for Autoneum. The Company has launched additional projects to further reduce the consumption of fossil fuels, energy, and water in its own production processes and boost the share of recycled and recyclable materials in its products.

In addition, the use of artificial intelligence and simulation software in the development of acoustic driving comfort is becoming more important for the electric vehicle of the future. This and other topics were the focus of the Automotive Acoustics Conference 2021. For the first time in its history, the renowned international conference for vehicle acoustics was conducted digitally under the scientific leadership of Autoneum. In virtual exhibition and networking spaces, leading industry and acoustics experts provided insights into the increasing requirements for alternative, environmentally-friendly drives and discussed the latest methods for acoustic optimizations in vehicles with participants.

Autoneum launched further product innovations on the market in 2021 such as the felt-based Flexi-Loft technology, which combines noise protection and sustainability in an optimal manner. Flexi-Loft stands out not only for its first-class acoustic performance and geometric flexibility, but also for its excellent environmental performance. For example, Flexi-Loft is comprised of at least 50% recycled cotton fibers, and thanks to a unique combination of fibers it has a grammage that is up to three times lighter than traditional felt. This reduces the weight of the components for the vehicle interior and thus the total vehicle significantly, which contributes to lower CO<sub>2</sub> emissions and a higher driving range. In addition, Flexi-Loft enables a precise adjustment to complex shapes and thus improves the sound-absorbing characteristics of inner dashes and carpets. The sustainable technology is also extremely versatile and, together with existing acoustic concepts such as Hybrid-Acoustics and Prime-Light, offers a light, adaptable, and environmentally-friendly alternative to traditional felts and foams.

With ABC – “alternative backcoating” – Autoneum has brought another innovative process to market, in which a thermoplastic adhesive is used to coat carpets. The thermoplastic mono-material is not only easier to recycle than traditional latex backcoatings, applying the adhesive using the ABC process requires less energy than the production of latex-based materials and can be carried out entirely without water. This further improves the environmental performance of needlepunch carpets from Autoneum, which already contain a high share of recycled PET.

## 10 YEARS OF AUTONEUM

In several respects, 2021 was a special year. Autoneum celebrated its tenth anniversary as an independent, stock-listed company and looked back with pride on a wide range of successes during its first decade. Over the course of these ten years, the Company not only expanded its global network, it also standardized its business and production processes around the world and improved its products and services. The entire Company was gradually focused on more sustainable processes and products. Since its initial public offering in 2011, Autoneum has developed a unique identity and a firm position as an established brand in the industry. Celebrations to mark the anniversary were held at all locations around the world.

## OUTLOOK

According to market forecasts<sup>1</sup>, global automotive production will increase by around 9% year-on-year in 2022. The semiconductor shortage is likely to continue for some time into 2023; however, we anticipate that the situation will increasingly stabilize over the course of the financial year 2022 with higher volatility in the first half of the year. Autoneum's revenue development is expected to be in line with the market. Based on market development, Autoneum is targeting an EBIT margin of 4–5% and free cash flow in the high double-digit million range. In addition to addressing the current semiconductor shortage situation, Autoneum will continue to pursue its consistent implementation of strategic priorities and initiatives. The potential impacts of the current Ukraine crisis on our business cannot be estimated at this point in time.

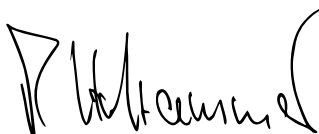
## ACKNOWLEDGMENT

In view of the given circumstances and difficulties, we view the annual result as a success, one that was achieved together with all of our employees around the world and of which we can be proud. We will continue to pursue the path we have embarked on and also invest in the expansion of our portfolio and the development of further innovations for sustainable technologies and products. We would like to thank our employees sincerely for their outstanding, tireless commitment, their perseverance, and their loyalty to the Company, especially in these challenging times. Our thanks also go to our many longstanding customers, suppliers, business partners and shareholders for their confidence in Autoneum.

Winterthur, March 1, 2022



**Hans-Peter Schwald**  
Chairman of the Board



**Matthias Holzammer**  
Chief Executive Officer

<sup>1</sup> Source: IHS Light Vehicle Production Forecast of February 16, 2022.



# 2021

## Year in Review

2021 was another challenging year for the entire automotive industry. For Autoneum, which celebrated its ten-year anniversary as an independent, stock-listed company, it was simultaneously an occasion to look back with pride on the successes over the past decade. Autoneum also continued to drive forward with topics such as sustainability, innovation, and performance at all locations during its anniversary year. With its alternative backcoating (ABC) process for even more environmentally-friendly needle-punch carpets and the felt-based sound-absorbing and sustainable Flexi-Loft technology, the Company brought further innovations for vehicles of all drive types to market. Numerous customer awards in 2021 once again confirmed Autoneum's operational excellence!



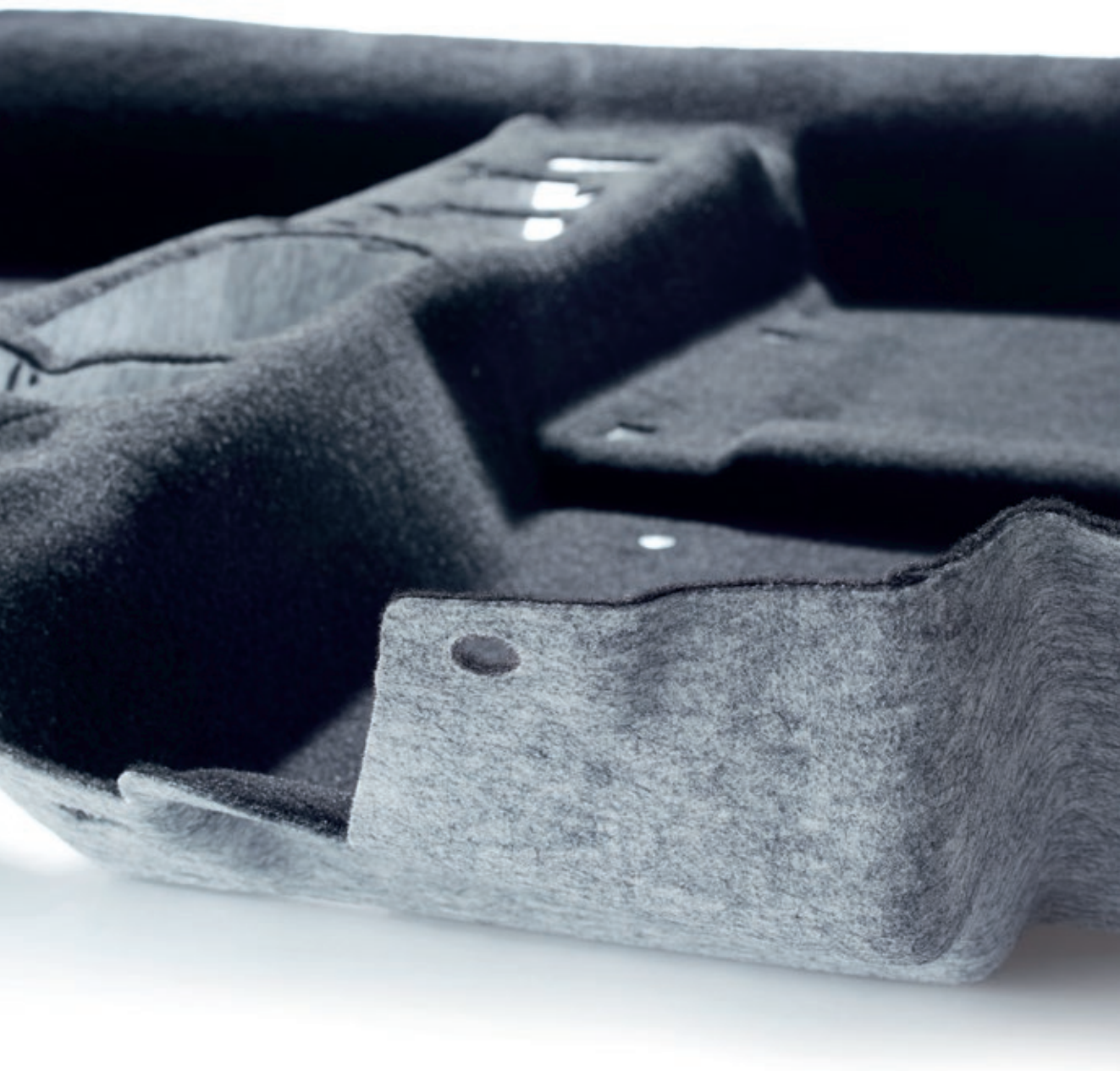


# The ABC of sustainability and innovation

ABC – as simple as the name may sound, it’s crucial for our environment. At Autoneum, the three letters stand for “alternative backcoating”, an innovative process in which thermoplastic adhesive is used to coat carpets. The thermoplastic mono-material is easier to recycle than traditional latex backcoatings, and applying the adhesive using the ABC process also requires less energy and can be carried out entirely without water, unlike the treatment of latex-based materials. This further improves the environmental performance of Autoneum’s needlepunch carpets, which already contain a high share of recycled PET. ABC: Another way that Autoneum spells sustainability.









# Automotive Acoustics Conference 2021 – Digital Edition

To what extent are alternative drives changing the requirements for the acoustic design of vehicles? And what role will artificial intelligence play in improving driving comfort in the vehicle of the future? These and other questions were the focus of the Automotive Acoustics Conference 2021. For the first time in its history, the renowned international conference for vehicle acoustics was conducted digitally under the scientific leadership of Autoneum – and the alternative format proved to be popular. More than 270 participants from 23 countries watched the livestreamed presentations and took advantage of the opportunity to have discussions with leading industry and acoustics experts in virtual exhibition and networking spaces.





# China – on the way to a green future

With the rapidly increasing presence of vehicles in highly dense cities, the issues of sustainability and environmentally-friendly production in China are becoming more important. In 2021, Autoneum Guangzhou, China, received the Green Business Award from the South China Chapter of the Chamber of Commerce of the European Union in China. The award recognizes the excellent work and the contribution of the joint venture plant to sustainability and environmental protection. In addition, on Volvo Cars Asia Pacific Sustainable Development Technology Day in Shanghai, Autoneum presented its sustainable products: from Theta-FiberCell under engine shields to e-motor encapsulations made of Hybrid-Acoustics PET to Di-Light-based carpets. With new recyclable and environmentally-friendly products, such as the Ultra-Silent-based front trunk – or “frunk” – Autoneum won important customer awards in 2021 in the quickly growing electromobility market China.











# 50 years of Sevelen – a golden anniversary

Autoneum's Swiss plant in Sevelen was founded in 1971. The plant has grown continuously since then and always delivered high-quality and profitable results, even during times of crisis. The history of Sevelen is impressive: In 1987, the plant was recognized as the largest producer of heatshields in Europe. In Sevelen, Autoneum was the first automotive supplier in the world to introduce a D-LFT production facility (direct long fiber thermoplastic) and it has been since considered a pioneer in aerodynamic underbody shield technology. In 2012, the name of the plant was changed from Rieter Automotive to Autoneum Switzerland Ltd. Sevelen has since been considered a globally leading competency center for underbody technology and development, which produces around 400 different series products and 600 spare parts, largely for premium vehicle manufacturers!

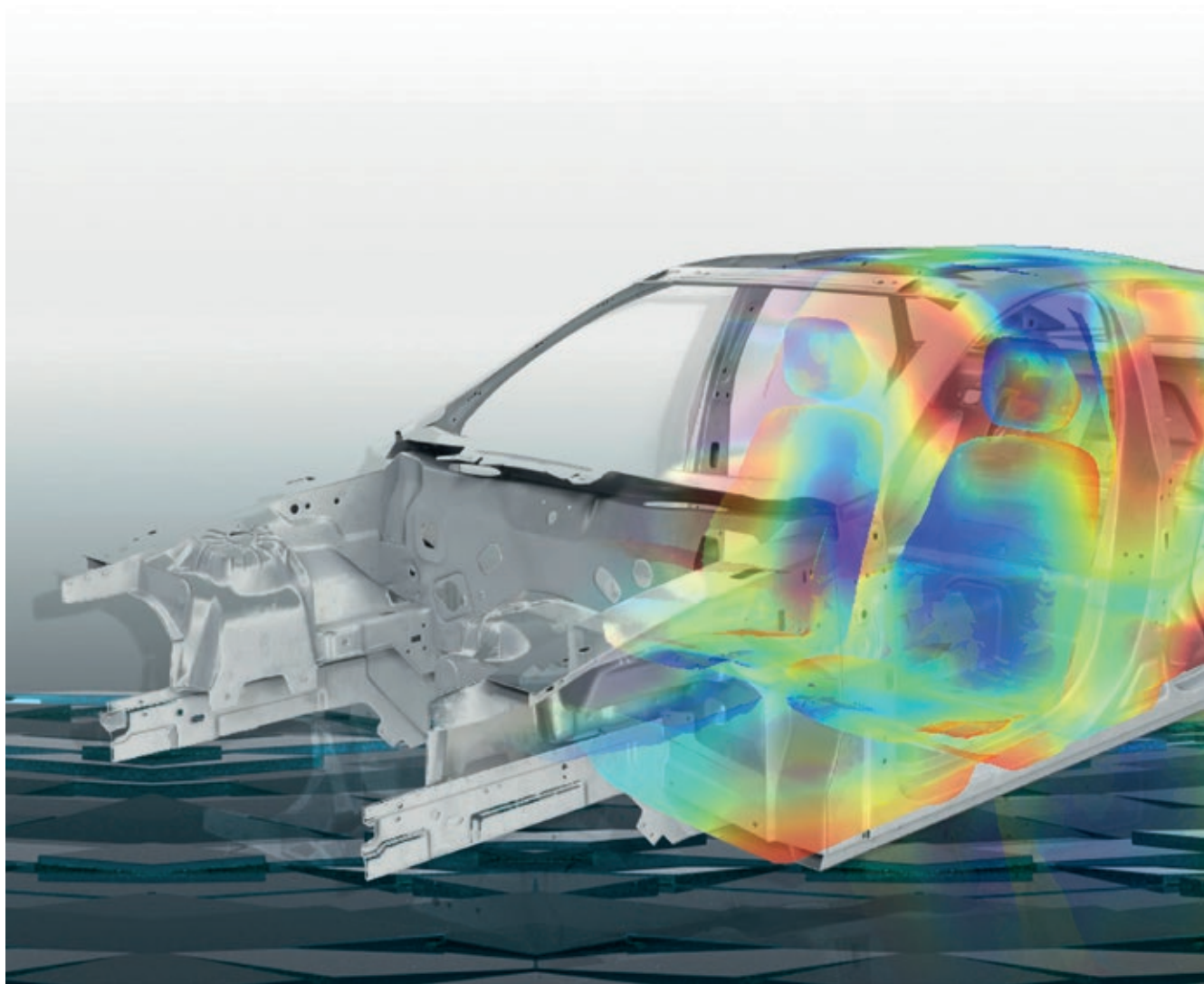
# Important steps toward automation

Autoneum received a number of customer awards once again in 2021 for its excellent product quality and its efficient and seamless supply chain management. In order to further improve efficiency at its plants, Autoneum drove forward the digitalization on the operating level as part of the Manufacturing Execution System (MES). MES was introduced successfully in the previous year and is an important milestone that makes it possible to measure the efficiency of all plants online and immediately identify and correct process deviations. This is an important prerequisite for the continuous improvement of operating efficiency. Based on the clear advantages that were measured in the various pilot plants over the past two years, the MES project gained momentum and the rollout was accelerated in 2021. In addition, projects to automate logistics using driverless transport systems (DTS) were implemented at several plants. Furthermore, several pilot initiatives to introduce automated controls using radio frequency identification (RFID) have been implemented. With the new systems, Autoneum is systematically driving forward the automation of production and taking important steps toward Industry 4.0.

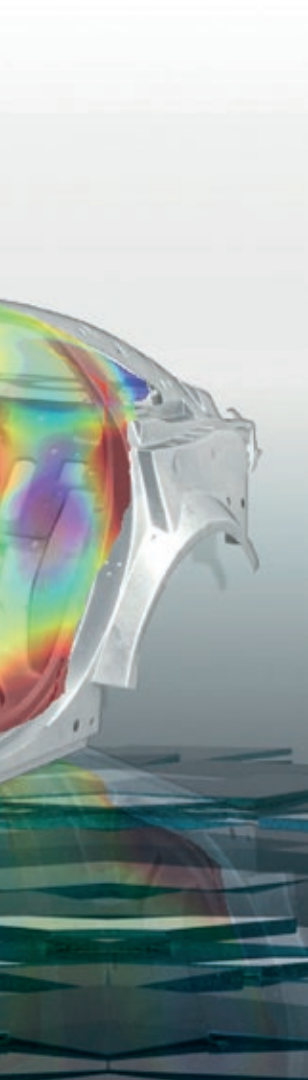












# Global standard in acoustics design

In 2021, Autoneum continued to invest in the further expansion of its innovation leadership in acoustic and thermal management for vehicles. Thanks to a partnership with software company Free Field Technologies (FFT), Autoneum's validated methodology for the prediction and insulation of structure-borne noise has been incorporated into the market-leading simulation software for acoustics and vibroacoustics since 2021. This will thus be more easily available for vehicle manufacturers and become the global standard for improving NVH (noise, vibration, harshness) characteristics. The precise prediction of the acoustic performance of vehicles early in the development process not only allows to significantly reduce design and lead times, but also to optimally balance weight, performance and cost of noise-insulating components.

# Sustainable noise protection thanks to Flexi-Loft

First-class acoustic performance, geometric flexibility, and excellent environmental performance. The numerous advantages of Flexi-Loft are thanks to its unique combination of at least 50% recycled cotton and polyester fibers. The felt-based technology reduces the weight of components for the vehicle interior considerably and simultaneously enables a precise adjustment to even complex shapes. Thus, Flexi-Loft improves the sound-absorbing characteristics of inner dashes and carpets – but that’s not all. The technology is also extremely versatile and, together with existing acoustic concepts, such as Hybrid-Acoustics and Prime-Light, it offers a light, adaptable, and sustainable alternative to traditional felts and foams.









# 10 years autoneum

Autoneum became an independent, stock-listed company on May 13, 2011. But its roots extend further back, to the year 1901 – when Martin Keller founded a trading company for paints and coatings, before entering the automotive market as a pioneer in vehicle acoustics nearly 50 years later. The acquisition of Unikeller AG – which was then renamed Rieter Automotive Systems – by engineering company Rieter in 1984 laid the foundation stone for Autoneum.





The move toward independence ten years ago enabled Autoneum to be more agile on the market and to focus more on the automotive industry. Thanks to the high quality, delivery, and performance level, the Company has succeeded in expanding its innovation and market leadership in acoustic and thermal management for vehicles during this decade. In addition, Autoneum has grown in Eastern Europe, Asia, and America and standardized its business and production processes globally. All of its plants are in geographically favorable areas, close to automobile manufacturers' plants, enabling short transport routes and customer proximity. Autoneum is now a young and dynamic company with a unique identity as an established brand in the industry.

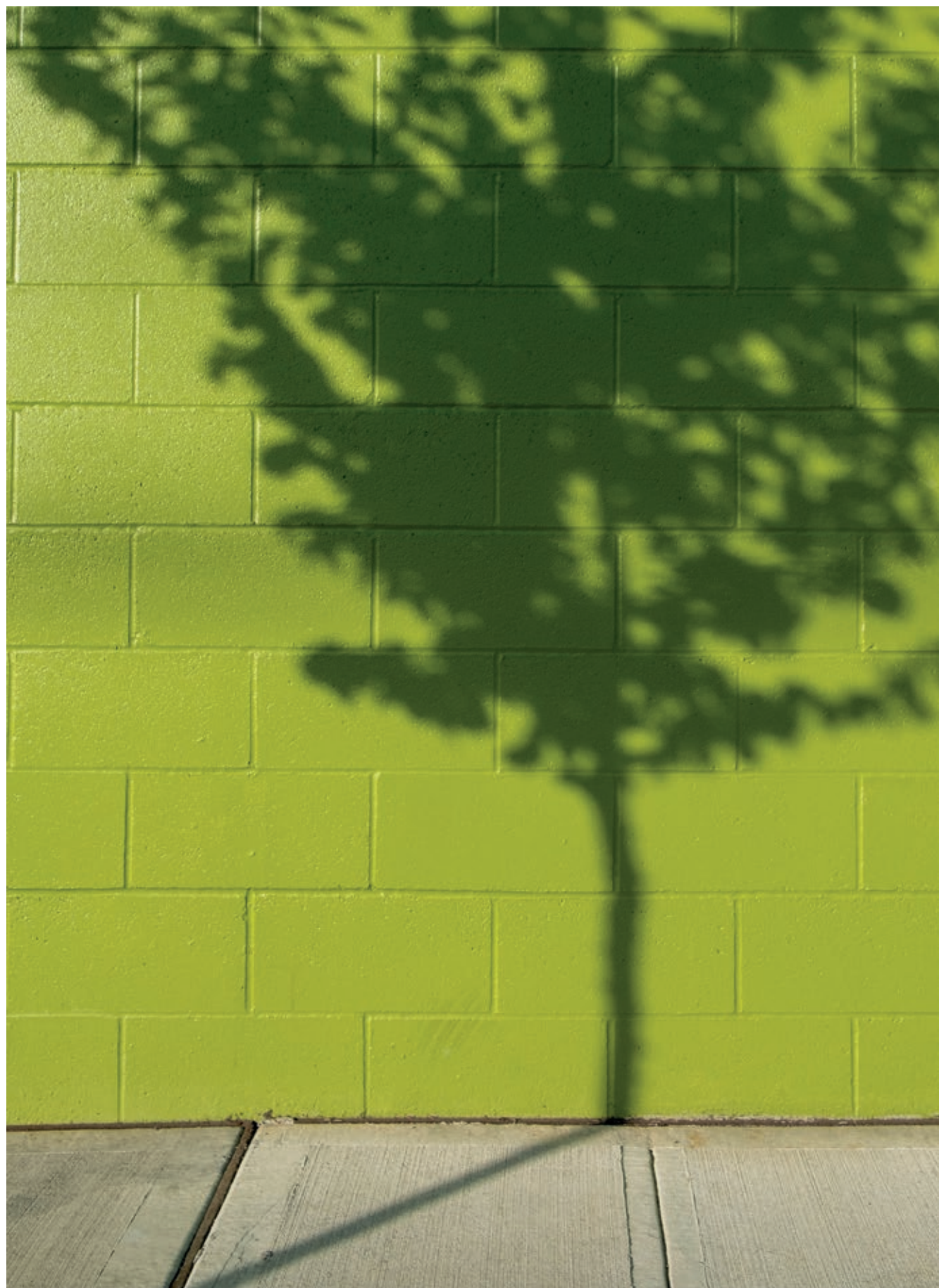






# Genk: Showcase project for lean management

Customer awards are a special recognition of the employees of Autoneum and tangible proof that the quality standards implemented internally also have the desired effect externally. The award as Toyota's overall European champion for "Best Material & Information Project 2020/21" was a special honor for the plant in Genk this year. The award honors the special performance of suppliers for the continuous improvement of efficiency on specific projects and processes. The Belgian location was able to significantly reduce both its production area and the throughput times for producing components for the Japanese vehicle manufacturer this year.





# Respectful treatment of people and the environment

By treating the environment, people, and society in a responsible manner, Autoneum wishes to make a decisive contribution to a sustainable future. In 2021, the Company implemented a wide range of projects and measures as part of its Advance Sustainability Strategy 2025 to meet its comprehensive Group-wide environmental, social, and ethical targets. In order to improve the Company's environmental performance, Autoneum has also committed to reducing its Scope 3 emissions in the supply sector by 20% by 2027 compared to 2019.

67

Around 67 eco-efficiency projects worldwide

91

In 2021, employees were engaged in over 91 social projects worldwide.

32

32 plants were certified according to ISO 45001, the international standard for occupational health and safety.

## ECO-EFFICIENT PRODUCTION PROCESSES

Autoneum is continuously striving to improve its environmental performance by reducing and recycling waste generated in manufacturing as well as lowering energy and water consumption. In 2021, the Company contributed to environmentally friendly production with 67 eco-efficiency projects at 23 locations and introduced further energy efficiency measures and recycling methods for feedstock and other materials used in the production process at various sites. In addition, seven locations obtain more than 80% of their electricity from renewable certified energy. To improve the Company's environmental performance, Autoneum trained a team of experts comprised of Research & Development employees in the life cycle analysis (LCA) of products and also committed to reducing its Scope 3 emissions by 20% by 2027 compared to 2019.

## OCCUPATIONAL HEALTH AND SAFETY

In order to ensure the health and safety of employees at all Company locations, regular training sessions were held at all plants also in 2021. Dedicated modules provided employees with important knowledge about the safe use of machines in order to protect themselves from safety hazards in production. In addition, a safety manual with standardized measures to mitigate risks in felt production was developed and introduced worldwide. The Safety Leadership program launched in the previous year was continued in 2021, mainly virtually and, in particular, in plants with higher accident rates, in order to sensitize all plant, shift, and EHS managers to the early identification of hazards and new safety aspects. Moreover, to further improve ergonomic standards in the plants, process engineers and EHS staff were trained in the use of software tailored to Autoneum's manufacturing processes. Compared to the previous year, Autoneum recorded a decrease in accidents in 2021. To protect employees from the coronavirus, all Autoneum plants worldwide continued to implement strict health requirements and measures again this year. In 2021, three more plants were awarded ISO 45001 certification, the leading international standard for occupational safety and health. Thus, a total of 32 Autoneum plants are now ISO 45001 certified.

LCA  
eff  
ciency

## EMPLOYEE DEVELOPMENT

Our employees are Autoneum's most important asset. A motivated, committed and culturally diverse workforce is the key to Autoneum's long-term economic success. Frequent interruptions in operations due to the semiconductor crisis required the Company to be more agile and efficient in 2021, thus posing new challenges for employees. Autoneum therefore adapted its staff development strategy in 2021 and increased the focus on corporate culture, engagement, leadership, skills development, and succession planning for key positions. In this context, a survey of all employees provided a comprehensive picture of their engagement. Based on the results, corresponding improvement measures will be developed and implemented at all Autoneum locations in 2022. In addition, Autoneum offered a wide range of professional and personal development projects. For example, virtual courses and high-performance leadership programs were conducted for managers and other employees to promote their skills and development.

## COMPLIANCE

Autoneum aims to act in an exemplary and ethical manner both within the Company and in all business relations. The value basis for these actions is the Code of Conduct, which is binding for all employees and whose implementation is managed through a comprehensive Compliance Management System (CMS) and the guidelines, processes, and objectives defined therein. The global compliance risk assessment is used to evaluate the development status of the CMS on a continuous basis and identify potential for improvement. As in the previous year, managers were again made aware of their role model function and appropriate behavior in their interaction with staff as part of training courses in 2021 ("Tone at the Top"). Regular training sessions for all

staff on the Code of Conduct and on topics such as anti-corruption, sexual harassment in the workplace, competition law, data protection, and cybercrime serve as preventive action to ensure that Autoneum employees do not endanger themselves or the Company through incorrect actions.

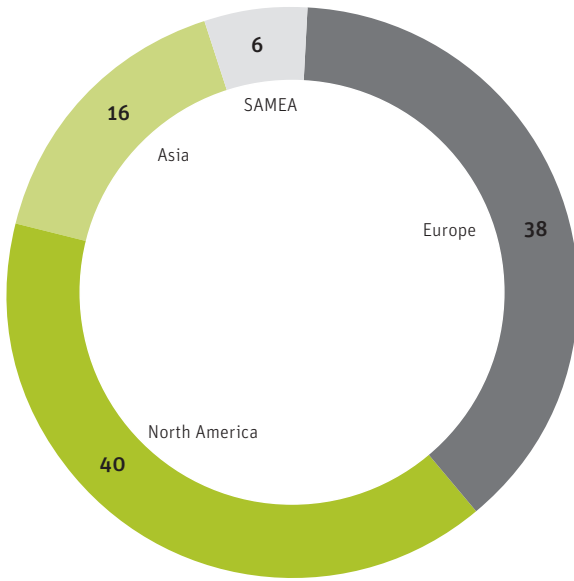
## SOCIAL ENGAGEMENT

With more than 50 locations in 24 countries, collaborative relationships with local communities are of great importance to Autoneum. By means of social and environmental projects, Autoneum helps raise public awareness of local sustainability issues and targets and develop long-term relationships with regional stakeholders. For example, Autoneum employees in Bursa, Turkey, initiated a donation and collection campaign for the children's shelter in their community. Thanks to their extraordinary commitment, a generous donation for the "Violence against Children" campaign was collected. In France, 15 employees from the Blainville plant cleaned up a nearby beach in Normandy of marine debris, separating the waste from recyclable materials and disposing of it correctly. Employees from our Chinese plant in Guangzhou delivered healthy meals to elderly people in need in their community every day for a month. For ten years, employees at our plant in Bloomsburg, USA, have been supporting "Camp Victory" in Millville, Pennsylvania, with regular maintenance work: In 2021, another roof was repaired for the project, which provides a carefree vacation experience to children with health restrictions, bringing the total number of roofs repaired over the last decade up to 12.

# Markets and Customers



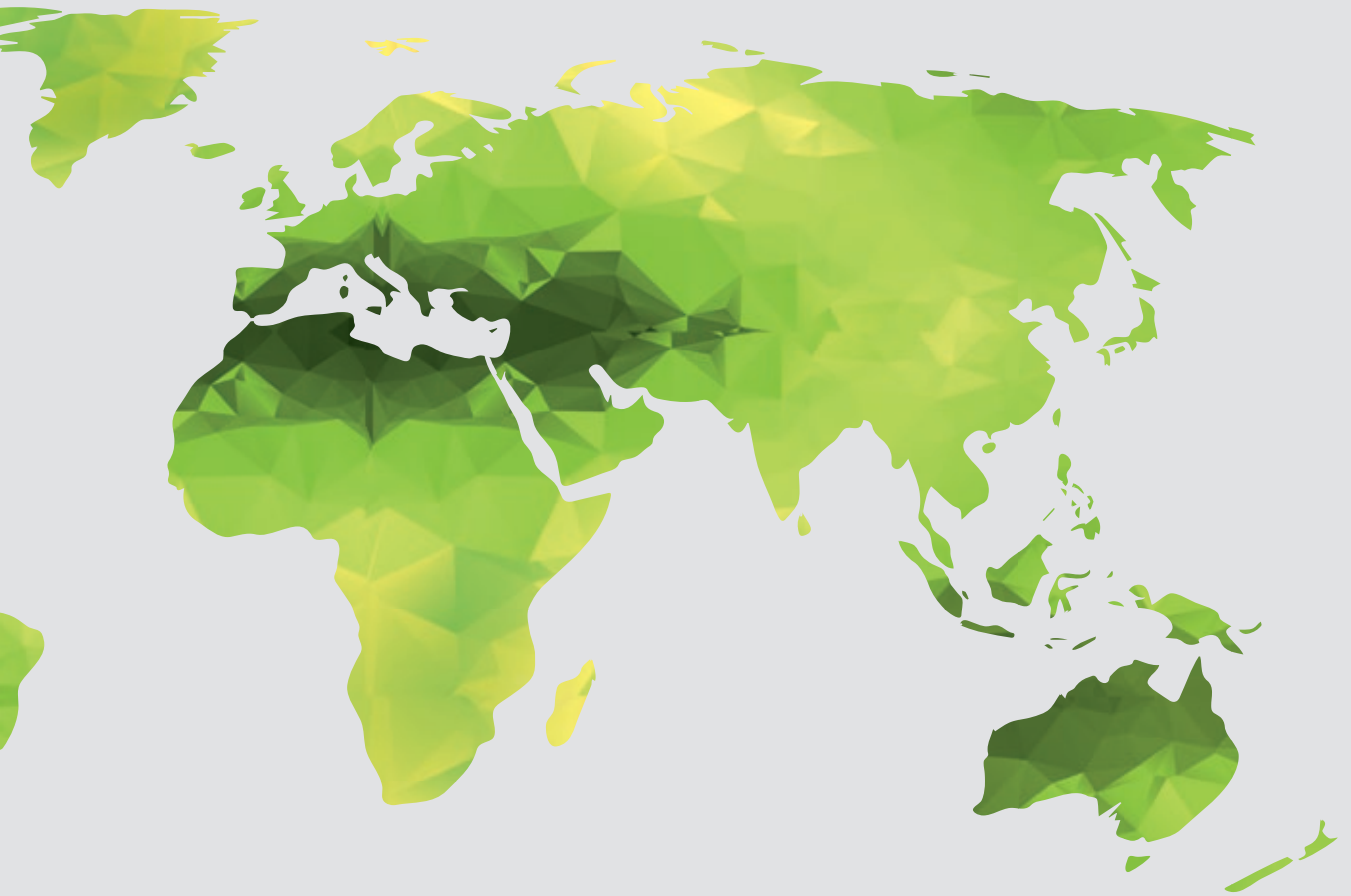
REVENUE BY REGION  
(in %)



REVENUE BY CUSTOMER  
(IN %)







## EUROPE

### Belgium

· Genk

### Czech Republic

· Bor  
· Choceň  
· Hnátnice

### France

· Aubergenville  
· Blainville  
· Lachapelle-aux-Pots  
· Moissac  
· Onsen-Bray

### Germany

· Munich  
· Rossdorf-Gundernhausen  
· Sindelfingen

### Hungary

· Komárom

### Poland

· Katowice  
· Nowogard

### Portugal

· Setúbal

### Russia

· Ryazan

### Spain

· A Rúa  
· Valldoreix

### Sweden

· Gothenburg

### Switzerland

· Sevelen  
· Winterthur (HQ)

### United Kingdom

· Halesowen  
· Heckmondwike  
· Stoke-on-Trent

## NORTH AMERICA

### Canada

· London, Ontario  
· Tillsonburg, Ontario

### Mexico

· San Luis Potosí  
· Silao

### USA

· Aiken, South Carolina  
· Bloomsburg, Pennsylvania  
· Jeffersonville, Indiana  
· Novi, Michigan  
· Oregon, Ohio  
· Jackson, Tennessee  
· Monroe, Ohio  
· Somerset, Kentucky  
· Tinley Park, Illinois  
· Valparaíso, Indiana

## ASIA

### China

· Chongqing  
· Dadong  
· Pinghu  
· Shanghai  
· Taicang  
· Tiexi  
· Yantai  
· Guangzhou  
· Tianjin  
· Wuhan  
· Fuzhou

### India

· Behror  
· Chennai

### Indonesia

· Jakarta

### Japan

· Oguchi  
· Tokyo

### Malaysia

· Shah Alam

### South Korea

· Seoul

### Thailand

· Laem Chabang  
· Chonburi

## SAMEA\*

### Argentina

· Córdoba

### Brazil

· Gravataí  
· São Paulo  
· Taubaté

### South Africa

· Rosslyn  
· Durban

### Turkey

· Bursa

Autoneum

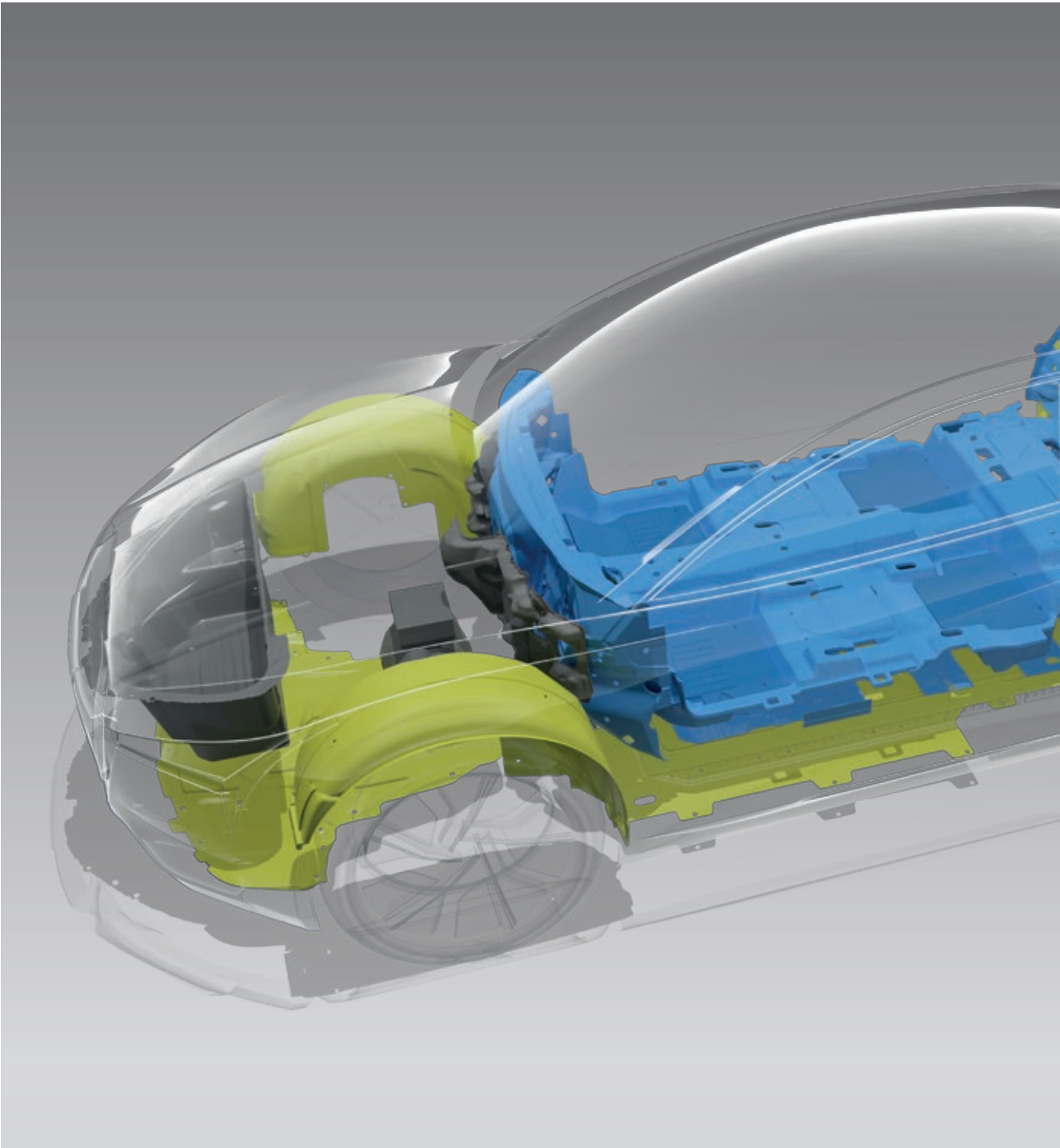
Locations with minority shareholders

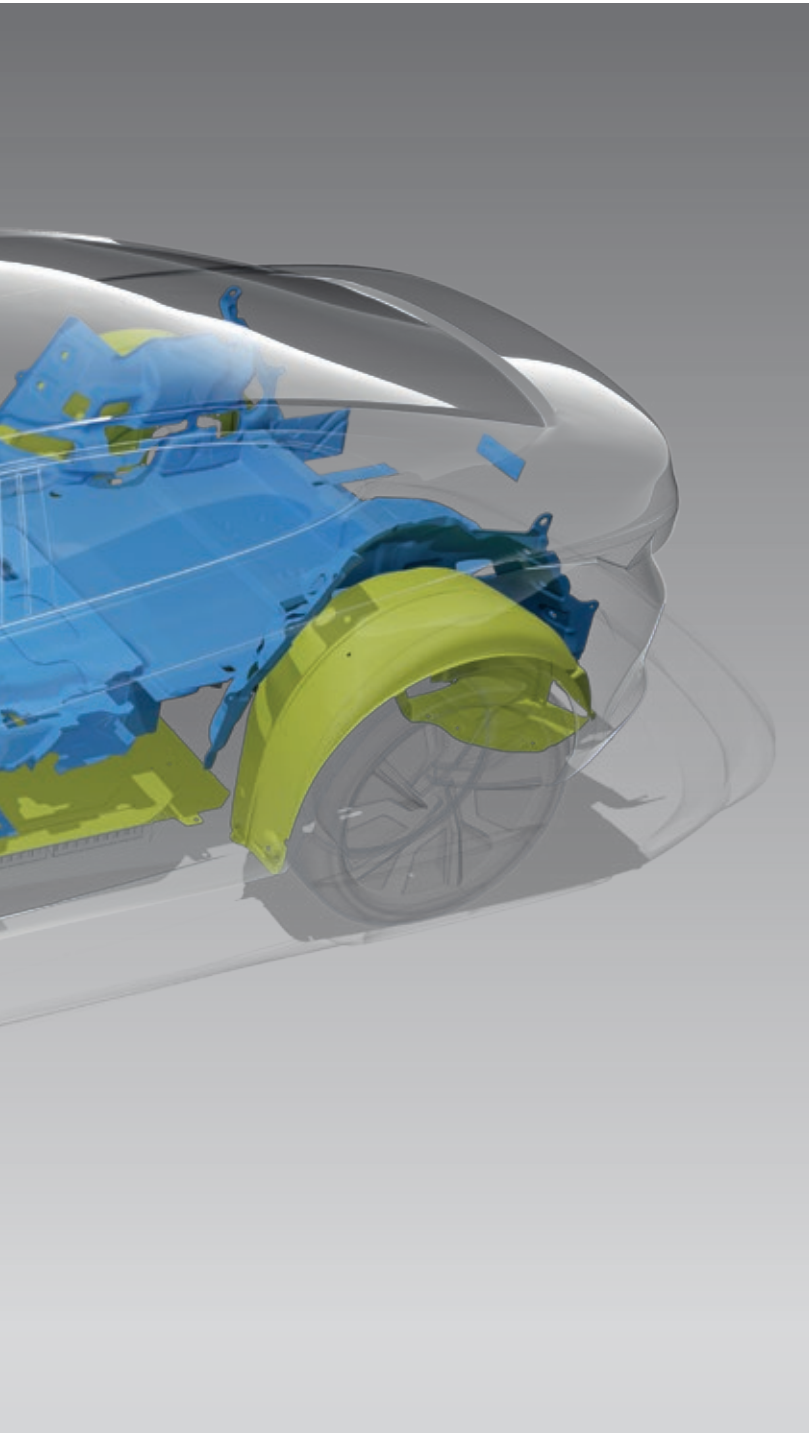
Associated companies and investments

Licensees

\* South America,  
Middle East  
and Africa.

# Our Product Portfolio





## Exterior

### ENGINE BAY

- Frunk
- Engine\* and E-Motor Encapsulations
- Outer Dashes
- Hoodliners
- Engine Top Covers\*
- Outer Trunk Floor Insulators

### UNDERBODY

- Under Floor and Under Engine Shields
- Wheelhouse Outer Liners
- Outer Tunnel Insulators\*
- Under Battery Shields
- Battery Electromagnetic Shields
- Heatshields\*

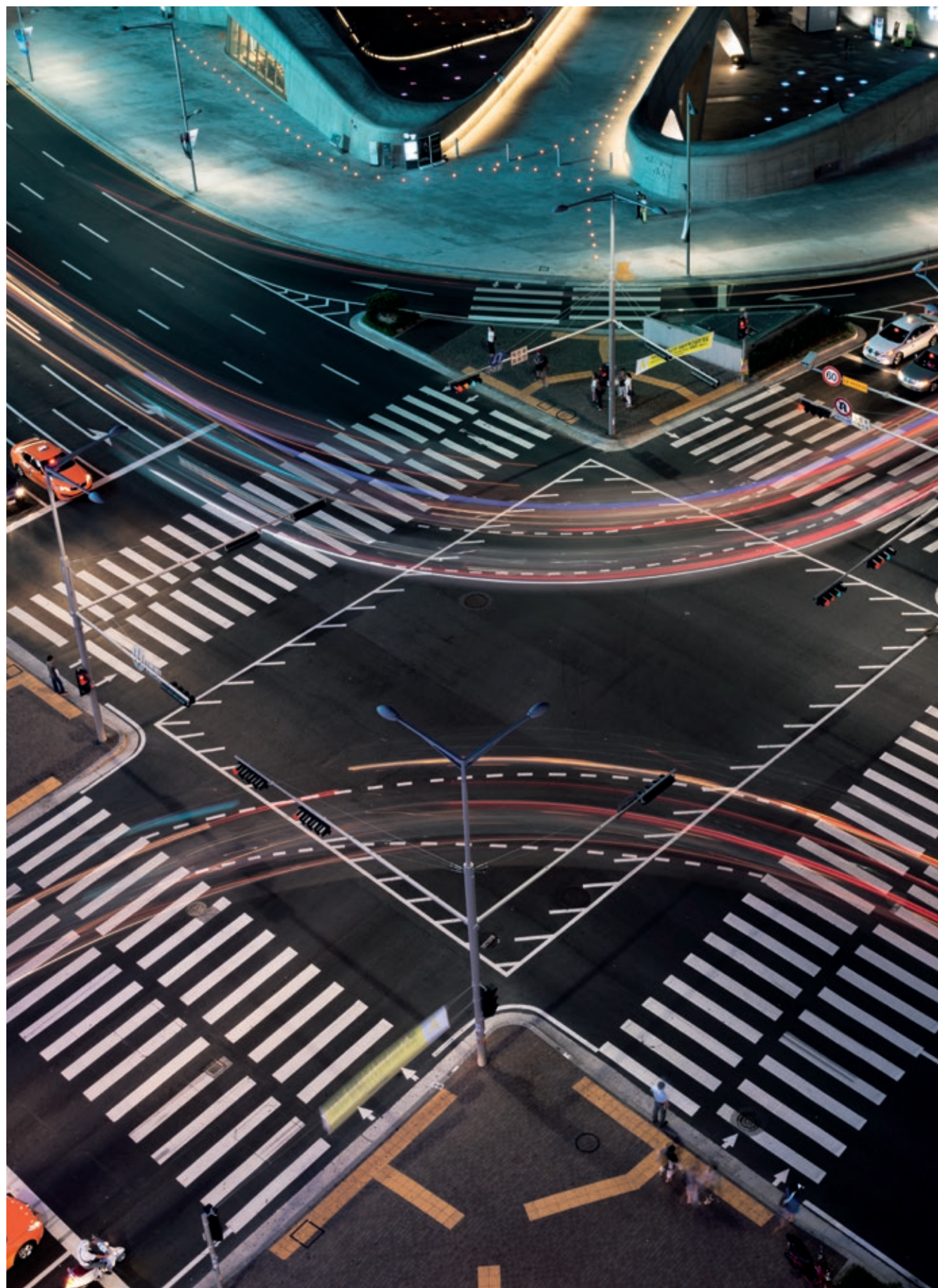
## Interior

### INTERIOR FLOOR

- Inner Dashes
- Needle-punch Carpets
- Tufted Carpets
- Floor Insulators
- Inner Wheelhouse Insulators
- Floor Mats
- Dampers
- Inner Trunk Floor Insulators

\* Components specifically for vehicles with combustion drive.









# Corporate Governance

The rules and regulations of Corporate Governance are laid out in numerous Autoneum documents, in particular the Articles of Association\*, the Organizational Regulations\* and the Board Committee Regulations. The content and structure of this report conform to the Directive Corporate Governance (DCG) and the related Guideline published by the SIX Swiss Exchange. Unless stated otherwise, the data pertains to December 31, 2021. Some information will be updated regularly on [www.autoneum.com/investor-relations](http://www.autoneum.com/investor-relations). For some information readers are referred to the financial section of this Annual Report. The Remuneration Report can be found from page 127 onwards.

\* [www.autoneum.com/investor-relations/corporate-governance](http://www.autoneum.com/investor-relations/corporate-governance)

## 1 GROUP STRUCTURE AND SHAREHOLDERS

### GROUP STRUCTURE

Autoneum Holding Ltd is a company incorporated under Swiss law, with its registered offices in Winterthur. Its shares are listed on the SIX Swiss Exchange (securities code 12748036, ISIN CH0127480363, symbol AUTN). Market capitalization as of December 31, 2021 was CHF 788.5 million.

Autoneum Group consists of the four Business Groups Europe, North America, Asia and SAMEA (South America, Middle East and Africa), the Group Finance department and those corporate functions that report directly to the CEO. It includes all companies controlled by Autoneum Holding Ltd. Within the framework of internal regulations, the Business Groups are responsible for the profitability of each individual company with the exception of those business activities and companies that report directly to the CEO. Each Business Group has been established for a clearly defined and demarcated specific market region. Each of these Business Groups conducts its business within the framework of the Organizational Regulations\* and under the leadership of the Business Group Head, who reports directly to the CEO of the Autoneum Group. The segment reporting information can be found on pages 83–85.

The Group Finance department and those corporate functions that report directly to the CEO support the CEO, the Business Group Heads and the Board of Directors in their management and supervisory functions, and are responsible for the activities outside the Business Groups, such as management of holding companies and pension funds. Subsidiary companies are founded based on legal, business and financial considerations. One person (Head of Legal Unit) is appointed for each company and is responsible for local financial management as well as for compliance with national laws and regulations and internal guidelines. Companies with participation of further shareholders are principally managed as described above, however taking into consideration the respective agreements.

41 companies worldwide belonged to the Autoneum Group as of December 31, 2021. An overview on subsidiaries comprising the names, domiciles and share capital of the subsidiaries and the voting rights held by the Autoneum Group can be found on page 110. The management organization of the Autoneum Group is independent of the legal structure of the Group and the individual companies.

### SIGNIFICANT SHAREHOLDERS

As of December 31, 2021 Autoneum was aware of the following shareholders with 3% or more of all voting rights in the Company:

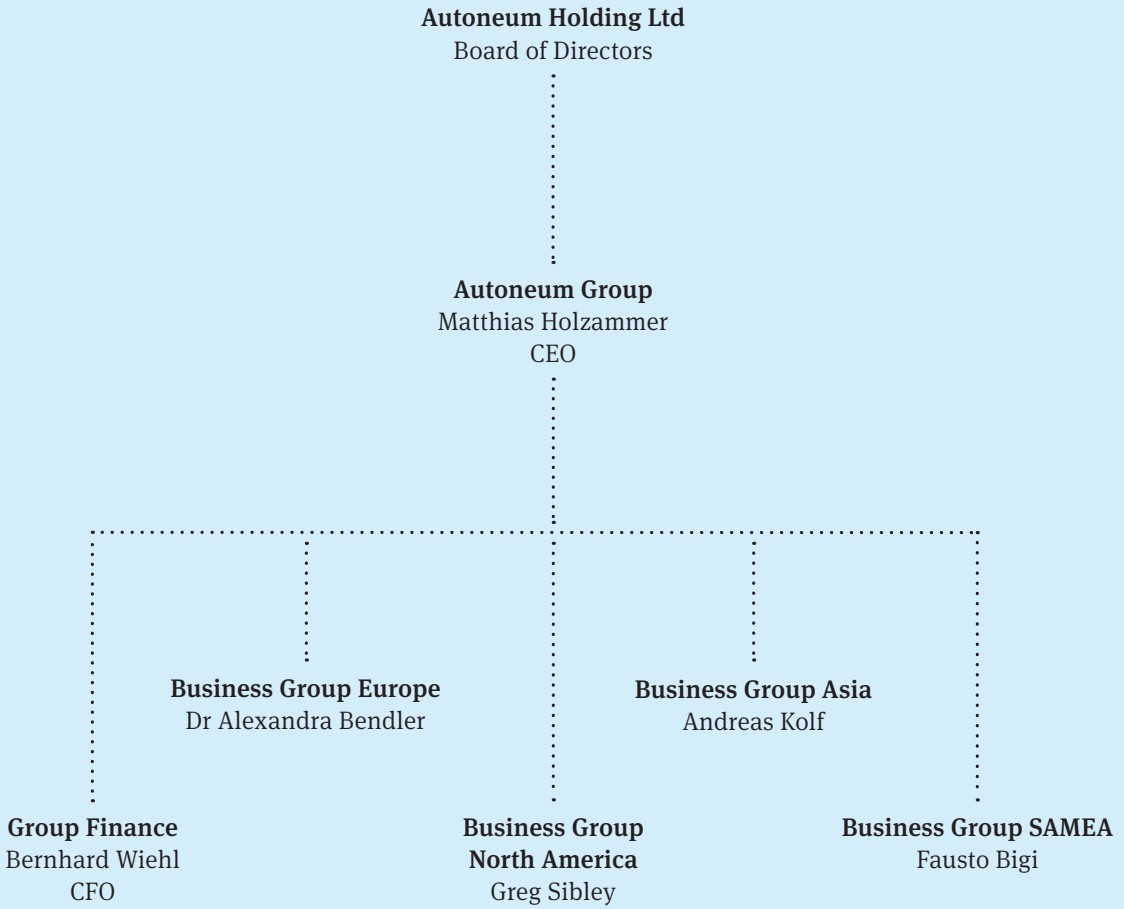
- Artemis Beteiligungen I Ltd, Hergiswil, Switzerland; and Michael Pieper, Hergiswil, Switzerland; 22.47%
- PCS Holding Ltd, Frauenfeld, Switzerland; and Peter Spuhler, Warth-Weiningen, Switzerland; 16.17%

All notifications of shareholders with 3% or more of all voting rights in the Company have been reported to the Disclosure Office of the SIX Swiss Exchange in accordance with Art. 120 of the Financial Market Infrastructure Act (FMIA) and published via its electronic publication platform on [www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/](http://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/), where further details can also be found. As of December 31, 2021 Autoneum Holding Ltd held 0.55% of the share capital (25 793 shares).

\* [www.autoneum.com/investor-relations/corporate-governance](http://www.autoneum.com/investor-relations/corporate-governance)

## ORGANIZATION

As of December 31, 2021



## CROSS-HOLDINGS

The Company has no information about cross-holdings of capital or voting shares exceeding the limit of 5% on both sides.

## 2 CAPITAL STRUCTURE

### SHARE CAPITAL

On December 31, 2021 the share capital of Autoneum Holding Ltd totaled CHF 233 618.15. It was divided into 4 672 363 fully paid-up registered shares with a par value of CHF 0.05 each. The shares are listed on the SIX Swiss Exchange (securities code 12748036, ISIN CH0127480363, symbol AUTN).

### AUTHORIZED SHARE CAPITAL

There is no authorized share capital available at Autoneum Holding Ltd.

### CONTINGENT CAPITAL FOR ISSUING CONVERTIBLE AND/OR WARRANTY BONDS OR GRANTING SHAREHOLDER OPTIONS

The share capital may be increased by up to 700 000 fully paid-up registered shares with a nominal value of CHF 0.05 each in an amount not to exceed CHF 35 000 or 14.98% through the voluntary or mandatory exercise of conversion rights and/or warrants granted in connection with the issuance of bonds or similar financial instruments by the Company or one of its Group companies on national or international capital markets, and/or through the exercise of option rights granted to the shareholders. The preemptive rights of the shareholders on the issuance of bonds or other financial instruments with which conversion rights and/or warrants are connected shall be excluded. The then current owners of conversion rights and/or warrants shall be entitled to subscribe to the new shares. The conditions of the conversion rights and/or warrants shall be determined by the Board of Directors.

The acquisition of shares through the voluntary or mandatory exercise of conversion rights and/or warrants as well as each subsequent transfer of shares are subject to the restrictions in §4 of the Articles of Association\*.

In connection with the issuance of bonds or similar financial instruments with which conversion rights and/or warrants are connected, the Board of Directors is empowered to restrict or exclude the advance subscription rights of shareholders if (1) such instrument is issued for the financing or refinancing of the acquisition of corporations, parts thereof, equity holdings or investments or if (2) such instrument is issued (i) on national or international capital markets or (ii) to one or more financial investors. If the advance subscription rights are restricted or excluded by the Board of Directors, the following shall apply: The issuance of such instruments shall be made at prevailing market conditions, and the new shares shall be issued pursuant to the relevant conditions of that financial instrument. Conversion rights may be exercised during a maximum ten-year period, and warrants may be exercised during a maximum seven-year period, in each case from the date of the respective issuance. The issuance of the new shares upon voluntary or mandatory exercise of conversion rights and/or warrants shall be made at conditions taking into account the market price of the shares and/or comparable instruments with a market price at the time of issuance of the relevant financial instrument.

### CONTINGENT CAPITAL FOR EMPLOYEE PARTICIPATION SHARES

The share capital may be increased by a maximum of CHF 12 500 or 5.35% through the issuance of up to 250 000 fully paid-up registered shares with a par value of

\* [www.autoneum.com/investor-relations/corporate-governance](http://www.autoneum.com/investor-relations/corporate-governance)



CHF 0.05 each to employees of the Company or its Group companies. The preemptive rights of the shareholders shall be excluded in connection with the issuance of convertible or warrant-bearing bonds or similar financial instruments. The issuance of these shares to employees will be in accordance with one or more regulations issued by the Board of Directors and will take appropriate account of employee performance, position and degree of responsibility and economic viability criteria subject to §24 of the Articles of Association\*. Shares or options may be issued to employees at a price lower than that quoted on the stock exchange.

The acquisition of shares within the framework of the employee participation plan, as well as every subsequent transfer of these shares, is subject to the limitations set forth in §4 of the Articles of Association\*.

### CHANGES IN SHARE CAPITAL

There have been no changes to the share capital of Autoneum Holding Ltd since the Company's founding on December 2, 2010. The General Meeting of March 22, 2011 adopted a contingent share capital of CHF 35 000 (see page 44) and a contingent share capital of CHF 12 500 (see page 44f).

### PARTICIPATION AND DIVIDEND-RIGHT CERTIFICATES

Autoneum Holding Ltd has issued neither participation certificates nor dividend-right certificates.

### SHARES

Autoneum Holding Ltd has issued 4 672 363 fully paid-up registered shares with a nominal value of CHF 0.05 each. Each registered share is entitled to dividends and entitles the holder to one vote at General Meetings of Autoneum Holding Ltd shareholders. The Board of Directors maintains a share register in which the owners and usufructuaries are registered with name/company name and address with the following conditions. Only those persons listed in the share register will be recognized as company shareholders or usufructuaries. Any changes of name or address must be communicated to the Company. Those who acquire registered shares must make written application for entry in the share register. The Company can refuse such entry to parties who do not expressly declare that they have acquired and will hold these registered shares in their own names and for their own account. If persons fail to expressly declare in their registration applications that they hold the shares for their own account ("nominees"), the Board of Directors shall enter such persons in the share register with the right to vote, provided that the nominee has entered into an agreement with the Company concerning his or her status, and further provided that the nominee is subject to a recognized bank or financial market supervision. After hearing the registered shareholder or nominee, the Board of Directors may cancel any registration in the share register made based on incorrect information with retroactive effect as of the date of registration. The relevant shareholder or nominee must be informed immediately of the cancellation. The Board of Directors regulates the details and issues the instructions necessary for compliance with the provisions set forth above. In special cases, the Board of Directors may grant exemptions from the rule concerning nominees and may delegate its duties.

The Company only recognizes one proxy per share. Voting rights and associated rights may only be exercised in relation to the Company by a shareholder, usufructuary or nominee entered in the share register as having the right to vote.

The registered shares of Autoneum Holding Ltd are issued in the form of securities and registered as book-entry securities (in the sense of the Book-Entry Securities Act) at SIX SIS Ltd. Book-entry securities with underlying shares of the Company may not be transferred by way of assignment. Security interests for these book-entry securities cannot be granted by means of assignment. The Company is entitled to convert at any time and without the approval of shareholders' shares issued in the form of uncertificated securities into individual share certificates or global share certificates. Shareholders are not entitled to have shares issued in one particular form transformed into another form. Any shareholder is, however, entitled to request at any time that the Company issue a certificate stating the number of shares registered in his or her name.

#### **RESTRICTIONS ON SHARE TRANSFERS AND NOMINEE REGISTRATIONS**

Those persons entered in the shareholders' register are recognized as voting shareholders. Autoneum shares can be bought and sold without any restrictions. In accordance with §4 of the Articles of Association\*, entry in the register of shareholders can be denied in the absence of an explicit declaration that the shares are held in the applicant's own name and for the applicant's own account. There are no other registration restrictions.

Shares held in a fiduciary capacity are not principally entered in the shareholders' register. However, as an exception to this rule, a nominee is entered in the register if the nominee in question has concluded a nominee agreement with Autoneum and is subject to a recognized bank or financial supervisory authority. The nominee exercises voting rights at the Annual General Meeting of shareholders. At the request of Autoneum Holding Ltd, the nominee is obliged to disclose the name of the person on whose behalf it holds shares.

A resolution of the General Meeting approved by the absolute majority of the voting shares represented is required in order to cancel the restrictions on share transfers.

#### **CONVERTIBLE BONDS AND OPTIONS**

Autoneum Holding Ltd has no convertible bonds or options outstanding.

#### **BOARD OF DIRECTORS PROPOSES A DIVIDEND OF CHF 1.50 PER SHARE**

Based on the Group's net result, the Board of Directors proposes at the Annual General Meeting to be held on March 23, 2022 a dividend of CHF 1.50 per share for the financial year 2021 (for the financial year 2020: no dividend was paid). This distribution would amount to around CHF 7.0 million or around 30% of the net result attributable to the Autoneum shareholders.

### 3 BOARD OF DIRECTORS

The composition, general rights, duties and responsibilities of the Board of Directors of Autoneum Holding Ltd are pursuant to the Swiss Code of Obligations and the Autoneum Holding Ltd Articles of Association\* and Organizational Regulations\*.

#### BOARD MEMBERSHIP

Pursuant to the Articles of Association\*, the Board of Directors of Autoneum Holding Ltd consists of no fewer than three and no more than nine members. As of December 31, 2021 the Board of Directors comprised eight members, none of whom performed executive duties. The functions of Chairman of the Board and CEO are separated in order to ensure a good balance between the Company management and supervisory bodies.

#### INDEPENDENCE OF NON-EXECUTIVE MEMBERS

The Board of Directors consists of non-executive members, and none of the members has exercised any operational activities for Autoneum in the three financial years preceding the reporting period. The members of the Board of Directors and the companies represented by them do not have any significant business relationships with companies of the Autoneum Group (but see page 108).

#### PERMISSIBLE ACTIVITIES OUTSIDE THE AUTONEUM GROUP

According to §20 of the Articles of Association\*, no member of the Board of Directors may assume more than 15 additional mandates and no more than five of these may be held with listed companies. This restriction does not apply to (a) mandates held with companies that control or are controlled by Autoneum Holding Ltd; (b) mandates assumed by a member of the Board of Directors by order of Autoneum Holding Ltd or companies under its control; (c) mandates held with companies that do not qualify as companies within the meaning of Art. 727, para. 1, clause 2 of the Swiss Code of Obligations; (d) mandates held with nonprofit organizations and foundations as well as pension funds. The number of mandates pursuant to (c) and (d) is limited to a total of 20.

Mandates held with various legal entities that are under joint control or controlled by the same beneficial owner count as one mandate. Mandates held with the supreme management or administrative body of a legal entity that is required to be registered in the commercial register or an equivalent register abroad count as mandates.

#### ELECTION AND TERM OF OFFICE AND PRINCIPLES OF THE ELECTION PROCEDURE

The Chairman and the other members of the Board are elected individually by the General Meeting and for a one-year term of office, running from one Annual General Meeting to the next.

Board members can be reelected. They retire at the Annual General Meeting following their 70<sup>th</sup> birthday, unless the Board of Directors has lifted the age limit in individual cases. For Michael Pieper, the Board of Directors has made this limit void and proposed him to the shareholders for reelection in view of his outstanding personal commitment and significant shareholding in the Company, which is obviously supporting the further development of Autoneum.

Nominations for election to the Board of Directors are made with due regard for the balanced composition of this body, taking industrial and international management experience and specialist knowledge into account.

## INTERNAL ORGANIZATION

The Board of Directors is responsible for the business strategy and the overall management of the Autoneum Group and Group companies. It exercises a supervisory function over the persons who have been entrusted with the business management.

The Board of Directors is responsible for all transactions that are not explicitly reserved for the General Meeting or other bodies according to the law, the Articles of Association\* and the Organizational Regulations\*. It prepares the Annual General Meeting and makes the necessary arrangements for implementing resolutions adopted by the Annual General Meeting. The Board of Directors has the following decision-making authority:

- composition of the business portfolio and strategic direction of the Group;
- definition of the Group structure;
- appointment and dismissal of the members of the Group Executive Board;
- definition of the authority and duties of the Chairman and the committees of the Board of Directors as well as the CEO and CFO of the Autoneum Group and the Business Group Heads;
- organization of accounting, financial control and financial planning;
- approval of strategic and financial planning, the budget and the Annual Report with business review, financial statements, consolidated financial statements and Remuneration Report;
- principles of financial and investment policy, personnel and social policy, management and communications;
- signature regulations and allocation of authority of Autoneum Holding Ltd;
- principles of internal audit;
- principles of compliance management systems;
- decisions on investment projects involving expenditure in excess of CHF 10 million;
- issuance of bonds and other significant financial market transactions;
- incorporation, purchase, sale and liquidation of subsidiaries.

The Board of Directors comprises the Chairman, the Vice Chairman and the other members. The Chairman of the Board of Directors and the members of the Compensation Committee are elected for a one-year term of office by the Annual General Meeting. Apart from this, the Board of Directors is self-constituting. The Board of Directors appoints a secretary who does not need to be a member of the Board of Directors. The Vice Chairman deputizes for the Chairman in his absence. The Board of Directors has a quorum if the majority of members are present or if the Board members are able to communicate with each other by telephone, videoconference, internet or other electronic means. Motions of the Board of Directors are approved by a simple majority of the votes of the members present. In the case of a tie, the Chairman has the casting vote.

In 2021, five regular meetings of the Board of Directors have taken place which each lasted around one half day. The meetings were partially held videoconference. One of these five meetings was held in a plant abroad, combined with a plant visit. The attendance rate was 86.8%. In addition, there were five videoconferences held with a duration of up to two and a quarter hours.



The agendas for the Board meetings are drawn up by the Chairman. Any member of the Board can also propose items for inclusion on the agenda. Board meetings are generally also attended by the CEO and the CFO, while the other members of the Group Executive Board attend as necessary regarding business matters concerning them. They give an overview of the results, outlook and budget of their operating units, and present those projects requiring the approval of the Board of Directors. Over the course of 2021, no external consultants were present at meetings of the Board of Directors.

Once a year, the Board of Directors reviews its performance, internal working methods and cooperation with the Group Executive Board. This takes the form of a self-assessment and includes an assessment of the state of information of Board members with regard to the Group and its business development.

Should there be a conflict of interest in the course of making decisions on business matters and items on the agenda, the respective Board member must stand aside prior to discussion of the matter in question and abstain from voting when passing a resolution.

## COMMITTEES

Besides the Compensation Committee, the Board of Directors appoints an Audit, a Nomination and a Strategy Committee from among its members in order to assist it in its duties. The committees are fundamentally advisory and preparatory bodies and have no decision-making powers; resolutions are passed by the Board as a whole. Each committee has written terms of reference specifying its tasks and responsibilities. The members of the Compensation Committee are elected by the Annual General Meeting. The Chairmen and members of the other committees are elected by the Board of Directors. The committees meet regularly to develop recommendations for the Board of Directors and to prepare minutes of their meetings.

The **Audit Committee** currently consists of three members of the Board. Its Chairman is Rainer Schmückle; the other members are Hans-Peter Schwald and Ferdinand Stutz (until March 25, 2021) and Liane Hirner (as from March 25, 2021) respectively. In the 2021 financial year, none of the members of the Audit Committee performed executive duties. The Chairman is elected for one year. The Audit Committee meets at least twice each financial year. The meetings are usually also attended by the Head of Internal Audit, representatives of the statutory and Group auditors, the CEO and the CFO, and other members of the Group Executive Board and management as appropriate.

The main duties of the Audit Committee are:

- elaborating principles for external and internal audits for submission to the Board of Directors, and providing information on their implementation;
- assessing the work of the external and internal auditors as well as their mutual cooperation and reporting to the Board of Directors;
- assessing the reports submitted by the statutory auditors as well as the invoiced costs;
- overall supervision of risk management and acceptance of the Risk Report to the Board of Directors and the Group Executive Board;
- assisting the Board of Directors in nominating the statutory auditors and the Group auditors for submission to the Annual General Meeting;
- examining the results of internal audits, approving the audit schedule for the following year and nominating the Head of Internal Audit.

# Board of Directors



**Hans-Peter Schwald**  
Chairman



**Rainer Schmücke**  
Vice Chairman



**Michael Pieper**  
Board member



**This E. Schneider**  
Board member



**Liane Hirner**  
Board member



**Norbert Indlekofer**  
Board member



**Oliver Streuli**  
Board member



**Ferdinand Stutz**  
Board member



## HANS-PETER SCHWALD

Chairman, Swiss national (1959)

**First elected to the Board** Board member and Chairman since 2011  
**Educational and professional background** lic. iur. HSG, lawyer; until 2016 Chairman of the Board of Directors of the law firm Staiger, Schwald & Partner Ltd; since 2017 Senior Partner of BianchiSchwald LLC . **Other activities and vested interests** Vice Chairman of the Board of Directors of Stadler Rail Ltd; Board member of Rieter Holding Ltd; Chairman of the Board of Directors of VAMED Management and Service Switzerland Ltd and VAMED Health Project Switzerland Ltd as well as Chairman of Swiss VAMED rehab hospitals; Chairman, AVIA Association of Independent Swiss Importers and Suppliers of Energy Products, Cooperative; Board member of other Swiss joint stock companies . **Committees** Chairman of the Strategy Committee; Member of the Audit, the Compensation and the Nomination Committee  
**Non-executive**

## RAINER SCHMÜCKLE

Vice Chairman, German national (1959)

**First elected to the Board** Board member and Vice Chairman since 2011  
**Educational and professional background** Dipl. Wirtsch.-Ing. University of Karlsruhe; from 1984 to 1997 various positions at Daimler Group, including CFO and Senior Vice President IT at Freightliner LLC, USA; from 1998 to 2000 first CFO and then CEO at Adtranz LLC; from 2001 to 2005 President and CEO at Freightliner LLC, USA; from 2005 to 2010 COO at Mercedes Car Group, Germany; from 2010 to 2011 Operating Partner of Advent International, USA; from 2011 to 2014 Chief Operating Officer and President Seating Components, Johnson Controls Inc., USA; from 2014 to 2015 CEO of MAG Group, Germany . **Other activities and vested interests** Member of the Board of Directors of Dometic AB Sweden; Chairman of the Board of Directors of STIGA (C), Luxembourg; Member of the Board of Directors STIGA SpA, Italy; Member of the Board of Directors of Canoo Inc., USA; Member of the Board of Directors of ACPS Automotive, Germany; Member of the Board of Directors of a privately held company . **Committees** Chairman of the Audit Committee; Member of the Strategy Committee . **Non-executive**

## LIANE HIRNER

Board member, Austrian national (1968)

**First elected to the Board** Board member since March 25, 2021 . **Educational and professional background** MBA in Industrial Management, Accounting and Taxation from the Karl Franzens University in Graz; from 1993 to 2017 various positions, including Partner and Managing Director at PwC Vienna; since 2018 member of the Managing Board and CFRO of the Vienna Insurance Group, Austria . **Other activities and vested interests** Member of the Supervisory Board of various companies of the VIG Group; Member of EIOPA's Insurance and Reinsurance Stakeholder Group (IRSG); Member of the Advisory Board of Webster Vienna Private University; Member of the Accounting and Auditing Experts Board of the Austrian Chamber of Accountants (KSW); Member of the Austrian Institute of Public Accountants (IWP); Member of the working party "international accounting" of the Austrian Insurance Association (VVO) . **Committees** Member of the Audit Committee since March 25, 2021 . **Non-executive**

## NORBERT INDLEKOFER

Board member, German national (1958)

**First elected to the Board** Board member since 2017 . **Educational and professional background** Dipl. Ing. University of Stuttgart; from 2004 to 2006 Chairman of the Management Board, Transmission and Chassis Systems of INA-Schaeffler KG, Germany; from 2006 to 2009 Chairman of the Management Board, Transmission and Chassis Systems of INA-Schaeffler KG as well as Chairman of the Management Board of LuK Group, Germany; from 2011 to 2014 Member of the Executive Board Automotive responsible for the Transmission Systems Business Division and Chairman of Schaeffler Ltd, Germany; from 2014 to 2016 President and CEO Automotive Schaeffler Ltd, Germany . **Other activities and vested interests** Member of the Board of Directors of Feintool Ltd; Member of the Advisory Council of ATESTEO GmbH & Co. KG . **Committees** Member of the Strategy Committee  
**Non-executive**

## MICHAEL PIEPER

Board member, Swiss national (1946)

**First elected to the Board** Board member since 2011 . **Educational and professional background** lic. oec. HSG; owner and CEO of Artemis Holding Ltd . **Other activities and vested interests** Member of the Board of Directors of various Artemis and Franke subsidiaries worldwide; Board member of Bergos Ltd, Forbo Holding Ltd, Arbonia Ltd, Reppisch-Werke Ltd and Duravit Ltd . **Non-executive**

## THIS E. SCHNEIDER\*

Board member, Swiss national (1952)

**First elected to the Board** Board member since 2011 . **Educational and professional background** lic. oec. HSG; from 1991 to 1993 Chairman and CEO of listed company SAFAA, France; from 1994 to 1997 member of the Executive Board, Valora Group, as Managing Director of the Canteen and Catering Division; from 1997 to 2002 Executive Chairman and CEO of the Selecta Group; from 2004 until March 2014 Executive Chairman and CEO, Forbo Group; since April 2014 Executive Chairman of the Board of Directors of Forbo Group . **Other activities and vested interests** Board member of Rieter Holding Ltd . **Committees** Chairman of the Compensation and the Nomination Committee . **Non-executive**

\*does not stand for re-election at the AGM of March 23, 2022

## OLIVER STREULI

Board member, Swiss national (1988)

**First elected to the Board** Board member since March 25, 2021 . **Educational and professional background** Master in Accounting & Finance University St. Gallen; from 2014 to 2017 Investment Banking at UBS; after joining Stadler Rail in 2017, he was responsible for the project management of the company's successful IPO as from 2018; since 2019 CEO of PCS Holding . **Other activities and vested interests** Chairman of the Board of Directors at Austrian Train Finance, Nordic Train Finance, Estonian Train Finance and Rolling Stock Finance Ltd.; Member of the Supervisory Board at Traktions-systeme Austria, Austria. Member of the Board of Directors of Cargoroll Holding Ltd. **Committees** Member of the Compensation Committee and of the Nomination Committee since March 25, 2021 . **Non-executive**

## FERDINAND STUTZ

Board member, Swiss national (1957)

**First elected to the Board** Board member since 2011 . **Educational and professional background** Dipl. Giesserei-Ing. University of Duisburg; from 1982 to 1989 Operations Manager and Deputy Manager Foundry for Rieter Ltd; from 1989 to 1995 Department Manager, Co-Partner and Executive Director of Schubert & Salzer, Germany; from 1995 to 1997 Executive Director of Georg Fischer Eisenguss GmbH, Germany; from 1998 to 2009 Member of the Management Board of Georg Fischer Ltd and CEO of GF Automotive; since 2009 owner and founder of Stutz Improvement Ltd **Other activities and vested interests** Member of the Advisory Board of Halder Beteiligungsgesellschaft GmbH, Germany; Member of the Board of Directors or Advisory Board of other joint stock companies . **Committees** Member of the Audit Committee (until March 25, 2021), the Strategy, the Compensation and the Nomination Committee . **Non-executive**

## PETER SPÜHLER

Board member until March 25 2021, Swiss national (1959)

Personal data: [www.autoneum.com/CV\\_P\\_Spuhler\\_en](http://www.autoneum.com/CV_P_Spuhler_en)



The Audit Committee met for two regular meetings and videofonferences respectively in 2021 of four and four and a half hours. All committee members attended both meetings/videoconferences and also received the written reports from the internal auditors. Except for the representatives of the statutory and Group auditors, in 2021 no consultants have participated in the meetings of the Audit Committee.

The **Compensation Committee** consists of four members. The Chairman of this committee is This E. Schneider. The other members are Hans-Peter Schwald, Ferdinand Stutz and Oliver Streuli (as from March 25, 2021). The committee meets whenever the need arises, but at least twice a year. It draws up the principles for the remuneration of members of the Board of Directors, the Group Executive Board and senior management within the Autoneum Group, in particular bonus programs and share allocation plans (LTI), as well as the Remuneration Report and the proposals concerning the total maximum remuneration amount for the Board of Directors and Group Executive Board to be submitted annually by the Board of Directors for approval by the shareholders at the Annual General Meeting.

The **Nomination Committee** consists of four members. The Chairman is This E. Schneider; the other members are Hans-Peter Schwald, Ferdinand Stutz and Oliver Streuli (as from March 25, 2021). The committee meets whenever necessary, but at least twice a year. This committee stipulates the profile of requirements and the principles for selecting members of the Board of Directors and prepares the election of new members of the Group Executive Board and their terms of employment. It is also briefed on succession plans for the Board of Directors, Group Executive Board and senior management and the relevant development plans.

In 2021 the members of the Compensation and the Nomination Committee held four regular meetings/videoconferences of between one and three hours. Three of the four committee members attended all meetings/videoconferences, one attended two. In 2021, no external consultants were present at the committee meetings.

The **Strategy Committee** consists of four members: Hans-Peter Schwald is Chairman; Rainer Schmückle, Norbert Indlekofer and Ferdinand Stutz are the other members. The Strategy Committee usually meets at least twice a year. The meetings are also attended by the CEO and the CFO, and other members of the Group Executive Board and management as appropriate.

The main duties of the Strategy Committee are:

- supporting and assisting the Board of Directors in strategic planning, especially in assessing market changes and developments affecting the Group;
- assessing Autoneum's short- and long-term strategic orientation, in particular with regard to markets, customers, competitors, products and technologies, as well as
- support of strategically important projects.

The Strategy Committee met in 2021 for one meeting of four hours, and held a workshop of two days. All committee members attended the meetings. In 2021, no external consultants were present at the committee meetings.

## ALLOCATION OF AUTHORITY

The Board of Directors delegates operational business management to the CEO. The members of the Group Executive Board report to the CEO. The allocation of authority between the Board of Directors and the CEO is stipulated in the Organizational Regulations\*, while details of the tasks reserved for the Board of Directors can be found on pages 48–49 (“Internal Organization”). The cooperation between the Board of Directors, the CEO and the Business Groups is stipulated in the Group’s Organizational Regulations\*, which include the following: The CEO draws up the strategic and financial planning and the budget with the Group Executive Board and submits it to the Board of Directors for approval. He reports regularly on the course of business as well as on risks and changes in personnel at the management level. In addition to periodic reporting, he is obliged to inform the Board of Directors immediately about any business transactions of fundamental importance.

## INFORMATION AND CONTROL INSTRUMENTS REGARDING THE GROUP EXECUTIVE BOARD

The Board of Directors receives a written monthly report on the key figures of the Group and the Business Groups from the Group Executive Board. This provides information on the income statement, the balance sheet, the cash flow statement as well as on capital expenditure. The figures are compared with the budget and with the previous year. The Board of Directors is also informed at each regular meeting about the course of business, important projects and risks, as well as ongoing earnings and liquidity development. Furthermore, the Chairman of the Board of Directors has a regular monthly meeting with the CEO and the CFO with respect to all major issues of corporate policy.

Should the Board of Directors have to rule on major projects according to the Organizational Regulations\*, a written request is submitted prior to the meeting.

The projects approved by the Board of Directors are monitored within the context of a special project controlling submitted to the Board of Directors every quarter.

Once a year, the Board of Directors discusses and decides on the strategic plans drawn up by the Group Executive Board and the financial plan. Financial statements for publication are drawn up twice a year.

The Board of Directors has initiated and implemented a comprehensive internal control system for risk monitoring in connection with business activities, which covers risk identification, analysis and control as well as risk reporting. Refer to pages 79–83 for details on this risk management process and on financial risk management.

The members of the Audit Committee, the CEO, the CFO and appointed members of the management receive the internal audit reports. Internal audit conducted four regular audits in 2021. The results were discussed in detail with the Business Groups and the companies concerned, and appropriate measures have been initiated and monitored accordingly.

## COMPLIANCE PROGRAM AND CODE OF CONDUCT

The Compliance Program of Autoneum is aimed at steering compliance with laws and regulations in order to ensure proper management of the Group and initiate measures for avoidance and early detection of infringements. Further information on compliance and the Code of Conduct can be found at [www.autoneum.com/company/compliance](http://www.autoneum.com/company/compliance).

## 4 GROUP EXECUTIVE BOARD

The Group Executive Board had six members on December 31, 2021: the CEO, the CFO and the four Business Group Heads. For additional information about the Group Executive Board members please refer to page 58.

## PERMISSIBLE ACTIVITIES OUTSIDE THE AUTONEUM GROUP

According to §20 of the Articles of Association\*, no member of the Group Executive Board may assume more than four additional mandates. No more than two of these may be held with listed companies; they have to be approved by the Board of Directors prior to acceptance. This restriction does not apply to (a) mandates held with companies that control or are controlled by Autoneum Holding Ltd; (b) mandates assumed by a member of the Group Executive Board by order of Autoneum Holding Ltd or companies under its control; (c) mandates held with companies that do not qualify as companies within the meaning of Art. 727, para. 1, clause 2 of the Swiss Code of Obligations; (d) mandates held with nonprofit organizations and foundations as well as pension funds. The number of mandates pursuant to (c) and (d) is limited to a total of 20. Mandates held with various legal entities that are under joint control or controlled by the same beneficial owner count as one mandate. Mandates held with the supreme management or administrative body of a legal entity that is required to be registered in the commercial register or an equivalent register abroad count as mandates.

## MANAGEMENT CONTRACTS

There are no management contracts between Autoneum Holding Ltd and third parties.

## 5 REMUNERATION, SHAREHOLDINGS AND LOANS

The content and process for determining remuneration and equity participation programs as well as information on the remuneration, shareholdings and loans of the Board of Directors and the Group Executive Board can be found in the Remuneration Report from page 127 onwards.

## 6 SHAREHOLDERS' PARTICIPATORY RIGHTS

### VOTING RESTRICTIONS

Autoneum Holding Ltd imposes no voting restrictions.

### STATUTORY QUORUM

General Meetings of shareholders adopt resolutions with the absolute majority of represented voting shares unless the law or Articles of Association\* stipulate otherwise. Remuneration is approved with the majority of votes cast regardless of potential abstentions.

# Group Executive Board



**Matthias Holzammer**  
Chief Executive Officer (CEO)



**Fausto Bigi**  
Head Business Group SAMEA



**Andreas Kolf**  
Head Business Group Asia





**Bernhard Wiehl**  
Chief Financial Officer (CFO)



**Dr. Alexandra Bendler**  
Head Business Group Europe



**Greg Sibley**  
Head Business Group North America

## MATTHIAS HOLZAMMER

Chief Executive Officer (CEO)  
German national  
(1965)

**Member of the Group Executive Board** since 2012\* . **Educational and professional background** Degree in business engineering; from 1993 to 2009 leading functions in operations, plant management and general management at Brose Fahrzeugteile GmbH & Co. KG, Germany, Faurecia Sitztechnik GmbH & Co. KG, Germany, and at Beru Ltd, Germany; from 2009 to 2011 Managing Director Production for Keiper GmbH & Co. KG (later Johnson Controls), Germany, last assignment as General Manager of the Product Business Unit "Metal Region Europe"; from 2012 to January 31, 2019 Head Business Group Europe, Autoneum, Switzerland; in the current function since 2019 . **Other activities and vested interests** none

\* Excluding period from February 1 to October 7, 2019.

## BERNHARD WIEHL

Chief Financial Officer (CFO)  
German national  
(1967)

**Member of the Group Executive Board** since 2019 . **Education and professional background** Degree in Mechanical Engineering, University of Applied Sciences, Esslingen, Germany; degree in Industrial Engineering (FH), University of Applied Sciences, Esslingen, Germany; from 1994 to 2000 various functions at TRW Automotive, Germany; from 2000 to 2004 Head of Finance & Controlling, Hella Lighting Systems, Germany; from 2004 to 2006 Director Program Management and from 2006 to 2007 Vice President Program Management and Controlling Europe, at Hydraulik-Ring, Germany; from 2007 to 2011 Head Finance & Controlling and Member of Executive Board, Electronics Division and from 2011 to 2013 Head Finance & Controlling and Member of Executive Board, Lighting Division, Hella, Germany; from 2013 to October 2019 Head Finance & Controlling Business Group Europe, Autoneum, Switzerland; in the current function since 2019 . **Other activities and vested interests** none

## DR ALEXANDRA BENDLER

Head Business Group Europe  
German national  
(1973)

**Member of the Group Executive Board** since 2019 . **Education and professional background** PhD in Engineering, Technical University of Darmstadt, Germany; from 1998 to 2002 Research Assistant and Team Leader "Corporate Strategy" in cooperation projects with McKinsey & Company, Technical University of Darmstadt, Germany; from 2002 to 2004 Consultant, Droege & Comp., Germany; from 2004 to 2008 Senior Consultant and Project Leader, Technology Management Group (TMG), Germany; from 2008 to 2010 Head Global Cost Reduction Program, Rieter, Switzerland; from 2010 to 2014 Head Strategy & Marketing, Rieter/Autoneum, Switzerland; from 2014 to 2019 Head Sales & Program Management Business Group Europe, Autoneum, Switzerland; in the current function since 2019. **Other activities and vested interests** none

## FAUSTO BIGI

Head Business Group SAMEA  
Brazilian national  
(1959)

**Member of the Group Executive Board** since 2016 . **Educational and professional background** Masters in Business Administration, INSEAD, France, and Graduation in Mechanical Engineering, Brazil; from 1986 to 1993 Senior Manager at Itautec Informatica, Brazil; from 1993 to 2006 various management functions at Valeo Automotive Systems, last assignment as Branch Marketing Director Lighting Division, France; from 2006 to 2008 Purchasing Director South America, Faurecia, Brazil; from 2008 to 2011 Head South America, Rieter, Brazil; from 2011 to 2012 Deputy Head Business Group SAMEA, Autoneum, Brazil; from 2012 to 2016 CEO Correias Mercúrio S.A., Brazil; in the current function since 2016 . **Other activities and vested interests** none

## ANDREAS KOLF

Head Business Group Asia  
German national  
(1962)

**Member of the Group Executive Board** since 2016 . **Educational and professional background** Lawyer; from 1995 to 2001 various management functions at Tiger Wheels Holding, South Africa; from 2002 to 2004 CEO Federal-Mogul Gorzyce S.A., Poland; from 2004 to 2005 Managing Director, Borbet Thüringen GmbH, Germany; from 2005 to 2006 Global Sales Director, Federal-Mogul GmbH, Germany; from 2006 to 2011 Executive Director Operations, Federal-Mogul India; from 2011 to 2013 Director Operations Federal-Mogul Asia Pacific, China; from 2013 to 2016 Vice President and Managing Director Federal-Mogul India; in the current function since 2016 . **Other activities and vested interests** none

## GREG SIBLEY

Head Business Group North America  
US national  
(1964)

**Member of the Group Executive Board** since 2019 . **Education and professional background** Bachelor of Science in Mechanical Engineering, Northwestern University, Chicago (IL), USA; Masters in Business Administration in Operations Management and Finance, University of Michigan, Ann Arbor (MI), USA; from 1986 to 1997 various management functions with US automotive companies; from 1997 to 2004 various management functions at Emission Control Division with Tenneco, USA; from 2004 to 2007 Vice President Product Development and Strategic Sourcing with Trico Products, USA; from 2008 to 2010 Executive Director Engineering and from 2011 to 2013 Vice President Engineering and Manufacturing; 2014 Vice President Operations Europe and 2015 Vice President and General Manager North America, Clean Air Division at Tenneco, USA; from 2016 to 2018 President Business Unit Americas at Eberspaecher, USA; in the current function since 2019 . **Other activities and vested interests** none

## CONVOCATION OF GENERAL MEETING, AGENDA PUBLICATION, VOTING PROXIES

General Meetings of shareholders are called through publication in the Swiss Commercial Gazette by the Board of Directors at least 20 days prior to the event, with details of the agenda, pursuant to §8 of the Articles of Association\*. Pursuant to §9 of the Articles of Association\*, shareholders representing shares with a par value of at least CHF 20 000 can request the inclusion on the agenda of an item for discussion, with details of the relevant motions, by a closing date published by the Company. Shareholders who do not attend General Meetings personally can arrange to be represented by another shareholder by written power of attorney or by the independent voting proxy by issuing written power of attorney and instructions pursuant to the signed registration form or electronically via the platform at <https://autoneum.shapp.ch>. The independent voting proxy is elected annually by the Annual General Meeting. Lic. iur. Ulrich B. Mayer, Attorney-at-Law, shall hold office as independent voting proxy until the closure of the 2022 Annual General Meeting.

## ENTRIES IN THE SHAREHOLDERS' REGISTER

In order to ensure an orderly procedure, the Board of Directors fixes the reference date shortly before the shareholders' meeting, by which time shareholders need to be entered in the share register in order to exercise their participation rights at the meeting. This reference date is published in the Swiss Commercial Gazette together with the invitation to the General Meeting.

## 7 CHANGE-OF-CONTROL AND DEFENSIVE MEASURES

### CHANGE-OF-CONTROL CLAUSES

There are no change-of-control clauses in Autoneum contracts of employment and office. In the event of a change of control, all shares blocked within the framework of the Executive Bonus Plan are vested.

### OBLIGATION TO SUBMIT AN OFFER

The legal provisions according to Art. 135 of the Financial Market Infrastructure Act (FMIA) are applicable. This states that a shareholder or a group of shareholders acting in concert who hold more than 33 1/3 percent of all shares must submit a takeover offer to the other shareholders.

## 8 STATUTORY AUDITORS

### DURATION OF MANDATE AND TERM OF OFFICE OF THE LEAD AUDITOR

KPMG AG, Zurich, has been the statutory and Group auditor of Autoneum Holding Ltd and the Autoneum Group since the financial year 2011. Reto Benz, licensed audit expert, has been lead auditor for the Autoneum mandate at KPMG since the financial year 2018. The term of office of the lead auditor is limited to seven years.

### AUDIT FEES AND ADDITIONAL FEES

KPMG charged Autoneum approximately CHF 1.2 million for the 2021 financial year for services in connection with auditing the annual financial statements of Group companies, the consolidated Autoneum Group accounts and the Remuneration Report. KPMG also charged Autoneum approximately CHF 0.2 million for additional services, mainly for tax advisory services. Additional auditors received from Autoneum approximately CHF 0.3 million for the 2021 financial year for services in connection with auditing the annual financial statements of Group

companies. They also received approximately CHF 0.2 million for additional services, mainly for tax advisory services.

## INFORMATION INSTRUMENTS OF THE EXTERNAL AUDITORS

The external auditor informs the Audit Committee in writing and verbally at every meeting about relevant auditing activities and other important facts and figures related to the Company. Representatives of the external and internal auditors attend Audit Committee meetings to explain their activities and answer questions. Please also refer to the section on the Audit Committee on page 49–53. The statutory auditors have access to the minutes of the meetings of the Board of Directors and its Committees.

The Audit Committee of the Board of Directors makes an annual assessment of the performance, fees and independence of the statutory and Group auditors. It submits a proposal to the Board of Directors regarding who should be proposed for election as statutory auditors at the General Meeting. In addition, the Audit Committee reviews the scope of external auditing, the auditing plans and relevant procedures annually, and discusses auditing results with the external auditors in each case.

## 9 INFORMATION POLICY

Autoneum maintains regular, open communication with all stakeholders and relevant parties, in particular with investors, financial analysts and representatives of banks and the media. Communication takes place through the Annual Report and Semi-Annual Report, the Annual General Meeting and one media conference each year.

Shareholders and the capital market are informed by media releases of significant changes and developments in the Company. Price-sensitive facts are published in accordance with the ad hoc publicity requirements of SIX Swiss Exchange. In addition, Autoneum maintains communication with investors, financial analysts and representatives of the media at corresponding events. Should shareholders and other interested parties wish to automatically receive the media releases, they may register at [www.autoneum.com/media/subscription-media](http://www.autoneum.com/media/subscription-media).

Reporting on the 2021 financial year includes the Annual Report, a media release and a presentation. A hardcopy of the Annual Report can be ordered by shareholders using the form enclosed with the invitation to the Annual General Meeting. It is also available for perusal at the Company's headquarters no later than 20 days prior to the Annual General Meeting. At the Annual General Meeting, the Board of Directors and the Group Executive Board provide information on the annual accounts and the course of business and answer shareholders' questions.\*

\* Due to the situation in connection to the coronavirus and the respective ordinances from the Swiss Government, the Annual General Meetings of March 25, 2020 and March 25, 2021 were held under exclusion of physical participation of the shareholders. For the same reason, also the Annual General Meeting to be held on March 23, 2022 will again take place without physical participation of shareholders.



## SOURCES OF INFORMATION

Autoneum provides extensive information to all interested parties. This is available online via the following links:

- Articles of Association Autoneum Holding Ltd:  
[www.autoneum.com/investor-relations/corporate-governance](http://www.autoneum.com/investor-relations/corporate-governance)
- Organizational Regulations:  
[www.autoneum.com/investor-relations/corporate-governance](http://www.autoneum.com/investor-relations/corporate-governance)
- Download of Annual Reports incl. Financial Reports:  
[www.autoneum.com/investor-relations/financial-reports](http://www.autoneum.com/investor-relations/financial-reports)
- Remuneration Report:  
[www.autoneum.com/investor-relations/corporate-governance](http://www.autoneum.com/investor-relations/corporate-governance)
- Order of hardcopy of Annual Reports incl. Financial Reports  
[www.autoneum.com/order-publication-2](http://www.autoneum.com/order-publication-2)
- Corporate Governance:  
[www.autoneum.com/investor-relations/corporate-governance](http://www.autoneum.com/investor-relations/corporate-governance)
- Corporate Responsibility:  
[www.autoneum.com/corporate-responsibility](http://www.autoneum.com/corporate-responsibility)
- Share price:  
[www.autoneum.com/investor-relations/share](http://www.autoneum.com/investor-relations/share)
- Presentations:  
[www.autoneum.com/investor-relations/financial-reports/#presentation](http://www.autoneum.com/investor-relations/financial-reports/#presentation)
- Media releases:  
[www.autoneum.com/media/media-releases](http://www.autoneum.com/media/media-releases)
- Subscription to media releases:  
[www.autoneum.com/media/subscription-media](http://www.autoneum.com/media/subscription-media)
- Contact:  
[www.autoneum.com/contact](http://www.autoneum.com/contact)

## 10 TRADING RESTRICTIONS

The Board of Directors of Autoneum Holding AG has released internal regulations related to trading restrictions, where it is differentiated between regular trading restrictions and ad hoc trading restrictions.

Regular trading restrictions are related to the publication of the half-year and full-year figures and are in place starting on June 10 until the end of business of the day the half-year results are published, and on December 10 until the end of business of the day the full-year results are published. Addressees are the members of the Board of Directors and the Group Executive Board and any employee who has access to the relevant financial figures.

Ad hoc trading restrictions are related to any other price-sensitive fact and are issued by the Chairman of the Board of Directors, who also decides on the addressees.

# Financial Report



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# Consolidated income statement

CHF million	Notes	2021		2020	
Revenue	(4)	1 700.4	100.0%	1 740.6	100.0%
Material expenses <sup>1</sup>		-766.4	45.1%	-827.9	47.6%
Employee expenses	(5)	-510.9	30.0%	-505.8	29.1%
Other expenses	(6)	-275.6	16.2%	-293.5	16.9%
Other income	(7)	32.3	1.9%	35.0	2.0%
<b>EBITDA</b>		<b>179.8</b>	<b>10.6%</b>	<b>148.5</b>	<b>8.5%</b>
Depreciation, amortization and impairment	(8)	-122.3	7.2%	-120.6	6.9%
<b>EBIT</b>		<b>57.5</b>	<b>3.4%</b>	<b>27.8</b>	<b>1.6%</b>
Financial income	(9)	3.8		3.4	
Financial expenses	(10)	-24.0		-36.8	
Share of profit of associated companies	(15)	3.1		3.5	
<b>Earnings before taxes</b>		<b>40.4</b>	<b>2.4%</b>	<b>-2.1</b>	<b>-0.1%</b>
Income taxes	(11)	-10.3		-8.6	
<b>Net result</b>		<b>30.1</b>	<b>1.8%</b>	<b>-10.7</b>	<b>-0.6%</b>
attributable to shareholders of Autoneum Holding Ltd		22.8		-25.3	
attributable to non-controlling interests		7.3		14.6	
Basic earnings per share in CHF	(12)	4.91		-5.45	
Diluted earnings per share in CHF	(12)	4.90		-5.45	

<sup>1</sup> Material expenses include CHF 2.2 million (2020: CHF -7.3 million) changes in inventories of finished goods and work in progress.

# Consolidated statement of comprehensive income

CHF million	2021	2020
Net result	30.1	-10.7
Currency translation adjustment <sup>1</sup>	8.8	-58.6
Inflation adjustment	1.8	1.3
<b>Total items that will be reclassified to income statement</b>	<b>10.6</b>	<b>-57.4</b>
Remeasurement of defined benefit pension plans	28.7	3.8
Changes in fair value of equity investments (FVOCI)	-10.7	-9.6
Income taxes	-3.2	-0.8
<b>Total items that will not be reclassified to income statement</b>	<b>14.9</b>	<b>-6.6</b>
<b>Other comprehensive income</b>	<b>25.5</b>	<b>-63.9</b>
<b>Total comprehensive income</b>	<b>55.6</b>	<b>-74.6</b>
attributable to shareholders of Autoneum Holding Ltd	46.5	-78.9
attributable to non-controlling interests	9.1	4.3

<sup>1</sup> The currency translation adjustment includes CHF 0.4 million (2020: CHF -1.0 million) from associated companies accounted for using the equity method.

The accompanying notes on pages 68-110 are part of the consolidated financial statements.



# Consolidated balance sheet

CHF million	Notes	31.12.2021	31.12.2020
<b>Assets</b>			
Tangible assets	(13)	750.0	810.5
Intangible assets	(14)	7.1	9.4
Investments in associated companies	(15)	22.4	20.5
Financial assets	(16)	31.1	42.9
Deferred income tax assets	(11)	23.3	22.4
Employee benefit assets	(24)	14.9	3.2
Other assets	(17)	93.2	93.0
<b>Non-current assets</b>		<b>942.1</b>	<b>1 002.0</b>
Inventories	(18)	148.3	154.0
Trade receivables	(19)	219.5	246.5
Current income tax receivables		7.1	7.8
Other assets	(17)	80.8	74.8
Financial assets	(16)	0.5	1.0
Cash and cash equivalents	(20)	103.7	322.0
<b>Current assets</b>		<b>559.9</b>	<b>806.1</b>
<b>Assets</b>		<b>1 502.0</b>	<b>1 808.1</b>
<b>Shareholders' equity and liabilities</b>			
Equity attributable to shareholders of Autoneum Holding Ltd		357.4	309.7
Equity attributable to non-controlling interests	(22)	93.8	103.9
<b>Shareholders' equity</b>		<b>451.2</b>	<b>413.6</b>
Borrowings	(23)	433.6	787.5
Deferred income tax liabilities	(11)	21.9	27.5
Employee benefit liabilities	(24)	22.9	37.2
Provisions	(25)	7.7	14.8
Other liabilities	(26)	7.7	7.2
<b>Non-current liabilities</b>		<b>493.9</b>	<b>874.1</b>
Borrowings	(23)	203.8	98.3
Current income tax liabilities		12.0	13.6
Provisions	(25)	10.5	19.5
Trade payables		160.5	203.7
Other liabilities	(26)	170.1	185.2
<b>Current liabilities</b>		<b>556.9</b>	<b>520.3</b>
<b>Liabilities</b>		<b>1 050.8</b>	<b>1 394.5</b>
<b>Shareholders' equity and liabilities</b>		<b>1 502.0</b>	<b>1 808.1</b>

The accompanying notes on pages 68–110 are part of the consolidated financial statements.

# Consolidated statement of changes in equity

CHF million	Attributable to the shareholders of Autoneum Holding Ltd						Attributable to non-controlling interests		Total
	Share capital	Treasury shares	Capital reserve	Fair value reserve	Retained earnings	Currency transl. adjustm.	Total	Total	
<b>At January 1, 2020</b>	<b>0.2</b>	<b>-3.6</b>	<b>217.5</b>	<b>18.0</b>	<b>215.1</b>	<b>-58.2</b>	<b>389.1</b>	<b>109.8</b>	<b>498.9</b>
Net result	-	-	-	-	-25.3	-	-25.3	14.6	-10.7
Other comprehensive income	-	-	-	-9.6	4.3	-48.3	-53.6	-10.3	-63.9
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-9.6</b>	<b>-21.0</b>	<b>-48.3</b>	<b>-78.9</b>	<b>4.3</b>	<b>-74.6</b>
Dividends paid <sup>1</sup>	-	-	-	-	-	-	-	-10.2	-10.2
Purchase of treasury shares <sup>2</sup>	-	-1.6	-	-	-	-	-1.6	-	-1.6
Share-based remuneration	-	1.7	-	-	-0.6	-	1.1	-	1.1
<b>Total transactions with owners</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-0.6</b>	<b>-</b>	<b>-0.4</b>	<b>-10.2</b>	<b>-10.7</b>
<b>At December 31, 2020</b>	<b>0.2</b>	<b>-3.5</b>	<b>217.5</b>	<b>8.4</b>	<b>193.5</b>	<b>-106.6</b>	<b>309.7</b>	<b>103.9</b>	<b>413.6</b>
Net result	-	-	-	-	22.8	-	22.8	7.3	30.1
Other comprehensive income	-	-	-	-10.7	27.3	7.1	23.7	1.8	25.5
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-10.7</b>	<b>50.1</b>	<b>7.1</b>	<b>46.5</b>	<b>9.1</b>	<b>55.6</b>
Dividends paid <sup>1</sup>	-	-	-	-	-	-	-	-19.2	-19.2
Share-based remuneration	-	0.8	-	-	0.3	-	1.2	-	1.2
<b>Total transactions with owners</b>	<b>-</b>	<b>0.8</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>1.2</b>	<b>-19.2</b>	<b>-18.0</b>
<b>At December 31, 2021</b>	<b>0.2</b>	<b>-2.6</b>	<b>217.5</b>	<b>-2.2</b>	<b>244.0</b>	<b>-99.5</b>	<b>357.4</b>	<b>93.8</b>	<b>451.2</b>

<sup>1</sup> Autoneum Holding Ltd neither paid a dividend for the 2020 financial year in 2021 nor the 2019 financial year in 2020, as approved by the Annual General Meeting.

<sup>2</sup> Autoneum purchased 5 registered shares (2020: 21 000) and transferred 8 015 registered shares (2020: 12 980) in conjunction with share-based remuneration in the period under review.

The accompanying notes on pages 68–110 are part of the consolidated financial statements.

# Consolidated statement of cash flows

CHF million	Notes	2021	2020
Net result		30.1	-10.7
Dividend income	(9)	-1.0	-1.0
Interest income	(9)	-2.7	-2.0
Interest expenses	(10)	21.9	28.4
Income tax expenses	(11)	10.3	8.6
Depreciation, amortization and impairment	(8)	122.3	120.6
Share of profit of associated companies	(15)	-3.1	-3.5
Loss from disposal of tangible assets, net		0.7	0.8
Loss/(gain) from disposal of subsidiary or business	(6), (7)	0.2	-1.8
Other non-cash income and expenses		0.5	16.4
Change in net working capital		-42.8	8.8
Change in post-employment benefit assets and liabilities		2.7	-4.6
Change in non-current provisions		-4.6	1.0
Change in other non-current assets		2.4	21.8
Change in other non-current liabilities		1.7	4.1
Dividends received		2.6	1.5
Interest received		2.8	1.9
Interest paid		-22.0	-26.7
Income taxes paid		-21.6	-13.8
<b>Cash flows from operating activities</b>		<b>100.4</b>	<b>149.7</b>
Investments in tangible assets	(13)	-34.1	-41.9
Investments in intangible assets	(14)	-1.0	-0.7
Investments in financial assets		-0.9	-0.6
Proceeds from disposal of tangible assets		1.6	3.4
Proceeds from disposal of financial assets		0.2	0.3
Proceeds from disposal of subsidiary or business <sup>1</sup>		5.0	2.2
<b>Cash flows used in investing activities</b>		<b>-29.3</b>	<b>-37.2</b>
Dividends paid to non-controlling interests		-19.2	-10.2
Purchase of treasury shares	(21)	-	-1.6
Proceeds from borrowings	(23)	5.7	340.2
Repayment of borrowings	(23)	-275.1	-206.1
<b>Cash flows (used in)/from financing activities</b>		<b>-288.7</b>	<b>122.3</b>
Currency translation adjustment		-0.7	-11.6
<b>Change in cash and cash equivalents</b>		<b>-218.3</b>	<b>223.2</b>
Cash and cash equivalents at beginning of the year		322.0	98.7
<b>Cash and cash equivalents at end of the year</b>	(20)	<b>103.7</b>	<b>322.0</b>

<sup>1</sup> Deferred purchase price payments from transactions in previous periods.

The accompanying notes on pages 68–110 are part of the consolidated financial statements.

# Notes to the consolidated financial statements

## 1 SIGNIFICANT ACCOUNTING POLICIES

### 1.1 BASIS OF PREPARATION

Autoneum Holding Ltd (“the Company”) was incorporated on December 2, 2010 as a Swiss corporation domiciled in Winterthur. The Company has been listed on the SIX Swiss Exchange (AUTN, ISIN: CH0127480363) since May 13, 2011. Autoneum Holding Ltd together with its subsidiaries will henceforth be referred to as “Autoneum Group”, “Group” or “Autoneum”. A list of subsidiaries, associated companies and non-consolidated investments of Autoneum Group can be found in note 35 on page 110.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements are based on historical cost, with the exception of employee benefit assets and liabilities, which are measured at the fair value of the plan assets less the present value of the defined benefit obligation, and specific financial instruments, which are measured at fair value. The consolidated financial statements were authorized for issue by the Board of Directors on March 1, 2022 and are subject to approval by the Annual General Meeting of shareholders on March 23, 2022.

The consolidated financial statements are published exclusively in English. Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

### 1.2 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods. Other disclosures relating to the Group’s exposure to risks and uncertainties include the risk management process (refer to note 2, page 79) and the sensitivity analyses of defined benefit plans (refer to note 24, page 101).

## JUDGMENTS

In the process of applying the Group’s accounting policies, management has made the following judgment in connection with the consolidation of entities in which the Group holds less than the majority of voting rights.

Assessing whether Autoneum has control over an entity includes all facts and circumstances that may indicate that the Group is able to direct the relevant activities and key decisions. Autoneum concludes that it has control over certain entities in which it holds 50% or more (refer to note 22, page 99), based on specific rights allocated. Facts and circumstances indicating that Autoneum controls an entity may change and lead to a reassessment of the management’s conclusion.

In rare circumstances, IFRS 16 requires management judgment in order to determine an appropriate lease term. The application of IFRS 16 is outlined in note 1.8 on page 72.



## ESTIMATES AND ASSUMPTIONS

Key assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the next financial year include the following:

Impairment losses on tangible assets are assessed based on estimated cash flows, which may vary from actual cash flows. Important assumptions to consider are useful lives, growth rates, achievable margins, utilization levels and the discount rates.

Preproduction costs that are capitalized in the balance sheet include mainly employee costs. Testing for impairment of the capitalized preproduction costs requires management to estimate both the total future consideration and total future costs of a project.

For defined benefit plans, actuarial valuations which are the basis for the employee benefit assets and liabilities in the balance sheet are carried out regularly. These calculations are based on statistical and actuarial assumptions. In particular, the present value of the defined benefit obligation is affected by assumptions such as discount rate, expected future salary growth and the life expectancy. Other assumptions for the valuation are derived from statistical data such as mortality tables and staff turnover rates. Actuaries are independent from Autoneum. Assumptions may differ significantly from actual results. These deviations can ultimately have an effect on the employee benefit assets or liabilities in future periods (refer to note 24, page 101).

In the course of the ordinary operating activities of Autoneum Group, obligations from guarantee and warranty, litigation and non-income tax risk, and environmental risk can arise. Provisions for these obligations are measured on the basis of estimated future cash outflow. The outcome of these business transactions may result in claims against Autoneum that may be below or above the related provisions. Provisions for litigation and non-income tax risk comprise complex cases that include material uncertainties. Environmental provisions are recognized for the expected costs for the cleanup and reconstruction of contaminated sites that are interdependent of many uncertainties, such as Autoneum's share of the cost or the applicable approach for determining these costs. The financial impact of these cases for future periods can only be estimated, because uncertainties relating to amount and date of cash outflow exist (refer to note 25, page 105).

Assumptions in relation to income taxes include interpretations of the tax regulations in place in the relevant countries. The adequacy of these interpretations is assessed by the tax authorities. This can result, at a later stage, in changes in the income tax expenses. To determine whether a deferred income tax asset on tax loss carryforwards may be recognized requires judgment in assessing whether there will be future taxable profits against which these tax loss carryforwards can be offset (refer to note 11, page 88).

## 1.3 CHANGES IN ACCOUNTING POLICIES

### ADOPTED CHANGES IN ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these consolidated financial statements are the same as those applied in the consolidated financial statements as of December 31, 2020.

In 2020, the Group had initially adopted the IFRS 16 amendment "Covid-19-Related Rent Concessions", issued in May 2020. In the reporting period, the Group early adopted the IFRS 16 amendment "Covid 19-Related Rent Concessions beyond 30 June 2021", issued in April 2021, with immediate effect. The 2021 amendment allows a one-year extension to the practical expedient.

The early adoption of these amendments to IFRS 16 did not have any impact as no existing or new Covid-19 related rent concessions qualify for the application of the amended practical expedient. Consequently, Autoneum has not recognized income in profit or loss to reflect changes in lease payments that arise from rent concessions (2020: CHF 0.6 million income in profit or loss).

The Group has initially adopted the amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform – Phase 2” as of January 1, 2021. Autoneum has reviewed the exposure to IBOR reference rates and is managing the transition to alternative benchmark rates. Apart from the long-term credit agreement (refer to note 23, page 100) no other major contracts were identified which are affected by the reform. However, the outstanding change will not have any significant impact on the Group’s consolidated financial statements. The contractual changes are accounted for under the IBOR reform practical expedient approach.

## FUTURE CHANGES IN ACCOUNTING POLICIES

The following new and revised standards and interpretations have been issued, but are not yet effective. They have not been applied early in these consolidated financial statements. However, a preliminary assessment has been conducted by the management and the expected impact of each standard and interpretation is presented in the following table.

	Effective date	Planned application by Autoneum
<b>New standards and interpretations</b>		
IFRS 17 Insurance Contracts <sup>1</sup>	January 1, 2023	January 1, 2023
<b>Revisions and amendments of standards and interpretations</b>		
Reference to the Conceptual Framework (Amendments to IFRS 3) <sup>1</sup>	January 1, 2022	January 1, 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) <sup>1</sup>	January 1, 2022	January 1, 2022
Annual Improvements to IFRS Standards 2018–2020 <sup>1</sup>	January 1, 2022	January 1, 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) <sup>1</sup>	January 1, 2022	January 1, 2022
Classification of liabilities as current or non-current (Amendments to IAS 1) <sup>2</sup>	January 1, 2023	January 1, 2023
Amendments to IFRS 17 <sup>1</sup>	January 1, 2023	January 1, 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) <sup>1</sup>	January 1, 2023	January 1, 2023
Definition of Accounting Estimate (Amendments to IAS 8) <sup>1</sup>	January 1, 2023	January 1, 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes <sup>2</sup>	January 1, 2023	January 1, 2023

<sup>1</sup> No impact or no significant impact is expected on the consolidated financial statements.

<sup>2</sup> The impact on the consolidated financial statements of Autoneum cannot yet be determined with sufficient reliability.

## 1.4 SCOPE AND METHODS OF CONSOLIDATION

The consolidated financial statements of Autoneum Holding Ltd include the Company and its subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control is lost.

Acquisitions are accounted for using the acquisition method. Intercompany transactions are eliminated. If Autoneum does not have control over entities but significant influence, which is usually the case if Autoneum holds interests of between 20% and 50%, these investments are classified as associated companies and accounted for using the equity method. Interests of less than 20% where Autoneum does not have significant influence are classified as non-consolidated investments and are accounted for at fair value. The subsidiaries, associated companies and non-consolidated investments are listed in note 35 on page 110.

## 1.5 FOREIGN CURRENCY TRANSLATION

Items included in the financial statements of each Group company are measured using the currency of the primary economic environment in which the company operates (“functional currency”). The consolidated financial statements are prepared in Swiss francs, which is the functional currency and the reporting currency of Autoneum Holding Ltd.

Transactions in foreign currencies are translated into the functional currency by applying the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. For consolidation purposes, items in the balance sheet of foreign subsidiaries are translated at year-end exchange rates, while income statement items are translated at average rates for the period. The resulting currency translation differences are recognized in other comprehensive income and, in the event of a disposal of a foreign operation, transferred to the income statement as part of the gain or loss from disposal.

## 1.6 HYPERINFLATION ACCOUNTING

The Argentinian economy exceeded 100 inflation points in 36 months and is considered to be hyperinflationary in accordance with the criteria in IAS 29 “Financial Reporting in Hyperinflationary Economies” effective as of July 1, 2018. The standard requires that the financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date. The financial statements of the Argentinian subsidiary were restated accordingly before being translated and included in the consolidated financial statements of the Group. From January 1, 2017 onwards, inflation is assessed on the basis of the Argentinian consumer price index (CPI).

## 1.7 TANGIBLE ASSETS

Tangible assets are stated at historical cost less accumulated depreciation, which is recognized on a straight-line basis over the estimated useful life of the asset. Historical cost includes expenditures that are directly attributable to the acquisition of the assets. Useful life is determined according to the expected utilization of each asset. The relevant ranges are as follows:

Buildings	20–50 years
Machinery and plant equipment	5–15 years
Data-processing equipment	4–8 years
Vehicles and furniture	3–10 years

Components of certain assets with different useful lives are depreciated separately. Gains or losses arising from the disposal of tangible assets are recognized in the income statement. Costs of maintenance and repair are charged to the income statement as incurred. The residual values and useful lives of tangible assets are reviewed, and adjusted if appropriate, at each balance sheet date.

## 1.8 LEASES

The Group leases various buildings, vehicles, machineries and other assets. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognized as right-of-use assets as part of tangible assets and corresponding lease liabilities at the commencement date. Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to profit or loss. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and charged to profit or loss. Assets and liabilities arising from a lease are initially measured on a present value basis, using the rate implicit in the lease if this rate could be readily determined. If not, the lessee's incremental borrowing rate is used, which reflects the refinancing costs of Autoneum.

At the commencement date, right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability,
- any lease payments made at or before the commencement date, less any lease incentive received,
- any initial direct costs incurred by the lessee, and
- restoration costs.

At the commencement date, lease liabilities are initially measured at the present value of the lease payments. Following lease payments are included in the net present value:

- fixed payments, less any lease incentives receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the lessee under residual value guarantees,
- the exercise of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Group recognizes short-term leases and leases for which the underlying asset is of low value as operating expenses in profit or loss. Short-term leases are leases with a lease term of twelve months or less. Low-value assets are those not exceeding an amount of CHF 5 000.

Extension and termination options are included in a number of lease agreements across the Group. In determining the lease term, the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options are only included in the lease term if the Group is reasonably certain to extend the contract.

## 1.9 INTANGIBLE ASSETS

Intangible assets such as product licenses, patents and trademark rights as well as software acquired from third parties are included in the balance sheet at acquisition cost and are amortized on a straight-line basis over a period of up to eight years. The residual values and useful lives of intangible assets are reviewed, and adjusted if appropriate, at each balance sheet date. Autoneum has neither in the current reporting period nor in the prior period intangible assets that have an indefinite useful life recorded in the balance sheet. Autoneum has no goodwill capitalized in the balance sheet.



## 1.10 IMPAIRMENT OF ASSETS

Tangible assets, intangible assets and other assets (non-current) are tested for impairment if there are indications that, due to changed circumstances, their carrying value may no longer be fully recoverable. If such a situation arises, the recoverable amount is determined. This is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount is below the carrying amount, a corresponding impairment loss is recognized in the income statement. Where the recoverable amount cannot be determined for an individual asset, it is determined for the cash-generating unit to which the asset belongs. To determine the value of an asset, estimates of the expected future cash flows from both usage and disposal are made.

## 1.11 CAPITALIZED PREPRODUCTION COSTS

In order to be able to deliver an OEM with serial parts over the production period, Autoneum designs and develops a serial part based on its existing product technologies that meets the OEM's specifications and prepares its manufacturing process allowing serial production over the production period, which is usually between five and eight years. The costs for this process qualify as costs to fulfill a contract and are capitalized as preproduction costs in the line item other assets. Those costs are capitalized when the costs are directly attributable to a project, which means between the nomination date and start of production, the costs enhance resources of the entity that will be used in satisfying performance obligations in the future, and the costs are expected to be recovered. The majority of costs that fulfill those requirements are employee costs that are allocated to specific projects, either based on actual hours entered by employees multiplied by an hourly cost rate, or where hourly records are not available, based on estimates made by controlling staff. The capitalized preproduction costs are amortized in the income statement in the line item material expenses over the period when revenue from the sale of the serial parts is recognized, which is usually between five and eight years.

Where the carrying amount of the capitalized preproduction costs exceeds the remaining amount of consideration that Autoneum will receive minus the remaining costs that Autoneum will incur to fulfill the contract, an impairment loss is recognized immediately.

## 1.12 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### INITIAL RECOGNITION AND MEASUREMENT OF FINANCIAL ASSETS

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Trade receivables are measured at the transaction price determined under IFRS 15 (refer to note 1.20 on page 78). The Group initially measures all other financial assets at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchasing or selling the asset.

### SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

For subsequent measurement, Autoneum classifies its financial assets in three categories:

- Financial assets at amortized cost: The Group measures financial assets at amortized cost if the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments): Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 "Financial Instruments: Presentation" and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as financial income in the income statement when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group elected to classify irrevocably its listed investments in non-consolidated companies under this category.
- Financial assets at fair value through profit or loss: Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives are also classified as held for trading. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the income statement.

## DERECOGNITION OF FINANCIAL ASSETS

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through arrangement”.

## IMPAIRMENT OF FINANCIAL ASSETS

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next twelve months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. The Group calculates ECLs according to a provision matrix based on days the amounts are past due. Publicly available credit default probabilities for the individual customer based on their ratings are further used in the assessment.

As Autoneum has not encountered material credit losses in the past, the Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## INITIAL RECOGNITION AND MEASUREMENT OF FINANCIAL LIABILITIES

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, or as financial liabilities at amortized cost. All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

## SUBSEQUENT MEASUREMENT OF FINANCIAL LIABILITIES

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group. Gains or losses on liabilities held for trading are recognized in the income statement.
- The category of financial liabilities at amortized cost is most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest. The effective interest amortization is included as finance expenses in the income statement. This category generally applies to interest-bearing loans and borrowings.

## DERECOGNITION OF FINANCIAL LIABILITIES

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the income statement.

## OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

### 1.13 INVENTORIES

Raw materials, consumables and purchased parts are valued at the lower of average cost or net realizable value. Semi-finished goods and finished goods are valued at the lower of manufacturing cost or net realizable value. Valuation adjustments are made for obsolete materials and excess stock.

### 1.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank accounts and time deposits with original maturities from the date of acquisition of up to three months.

### 1.15 EQUITY

Ordinary shares are classified as equity since the shares are non-redeemable and any dividends are discretionary.

When shares are repurchased, the amount of the consideration paid is recognized as a deduction from equity and presented as a separate component in equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is recognized in retained earnings.

### 1.16 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 the amount can be reliably estimated. Provisions are discounted if the impact is significant.

### 1.17 INCOME TAXES

Income taxes comprise both current and deferred income taxes. Normally, income taxes are recognized in the income statement, unless they are linked to a position that is recognized directly in equity or in other comprehensive income. In this case, the income taxes are also recognized directly in equity or in other comprehensive income.

Current income taxes are calculated and accrued on the basis of taxable income for the year. Deferred income taxes on temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and amounts determined for local tax purposes are calculated using the liability



method. Deferred income taxes are measured at the tax rate expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date. Deferred income tax assets and liabilities are offset to the extent that an entity has a legally enforceable right to offset current income taxes, and the deferred income taxes relate to income taxes levied by the same taxation authority and relate to the same taxable entity.

Temporary differences resulting from investments in Group companies are not considered if Autoneum is able to control the timing of the reversal of the temporary differences and if it is probable that these temporary differences will not reverse in future.

The tax impact of losses and deductible temporary differences is capitalized to the extent it appears probable that such losses and deductible temporary differences will be offset in the future by taxable income.

### 1.18 EMPLOYEE BENEFITS

Employee pension plans are operated by certain subsidiaries, depending upon the level of coverage provided by the government pension facilities in the various countries in which they are present. Some are provided by independent pension funds. If there is no independent pension fund, the respective obligations are shown in the balance sheet under employee benefit liabilities. As a rule, pensions are funded by employees' and employers' contributions. Pension plans exist on the basis of both defined contribution and defined benefit.

Pension liabilities arising from defined benefit plans are calculated annually by independent actuaries using the projected unit credit method. The discount rate used for the calculation is based on interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Remeasurement gains or losses are recognized in other comprehensive income. Pension cost relating to services rendered in the reporting period is recognized in the income statement as current service cost. Pension cost relating to services rendered in previous periods as a result of new or amended pension benefits is recognized in the income statement as past service cost. The net interest expenses or income on the net defined benefit liability or asset for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the then net defined benefit liability or asset, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. The net interest expenses or income is recognized in financial expenses or income. The fair value of plan assets is deducted from the defined benefit obligations. Any asset resulting from this calculation is only capitalized up to an amount not exceeding benefits from future contribution reductions or refunds.

In the case of defined contribution plans, the contributions are recognized as expenses in the period in which they were incurred.

### 1.19 SHARE-BASED PAYMENTS

Share-based payments to members of the Board of Directors, the Executive Board and senior management are measured at fair value at the grant date, and recognized in the income statement over the vesting period. The fair value is assessed based on the current market price and taking into account a discount for dividends that will not be collected by the beneficiary because the transfer of the shares is deferred. For share-based payments that are settled with equity instruments, a corresponding increase in equity is recognized.

## 1.20 REVENUE RECOGNITION

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer.

The main business of Autoneum is to develop and produce multifunctional and lightweight components and systems for noise and heat protection for its customers, i.e., Original Equipment Manufacturers (OEM). Autoneum and the OEM agree on a contract upon nomination. The contracts include that Autoneum sells serial parts to the OEM over a production period of five to eight years. The serial parts are manufactured using a tool, which is either manufactured by Autoneum or procured by a third-party supplier and which is sold to the OEM, usually before start of production. As a result, Autoneum agrees on two different kinds of performance obligations upon nomination: a performance obligation for each serial part that will be delivered to the OEM during the serial production period and a performance obligation for the procurement of the tools. Revenue is allocated to the performance obligations based on the selling price that is agreed with the OEM.

The majority of total revenue (more than 90%) is generated with the sale of the serial parts to the OEM and a minor part of total revenue (less than 10%) is generated with the sale of the tools to the OEM.

Upon nomination, the OEM and Autoneum agree on a sales price per serial part and agree that Autoneum will produce and deliver the serial parts to the OEM over its complete serial production period. The OEM and Autoneum agree on a contract that includes an expected quantity of serial products that will be delivered to the OEM, as the final quantity of required serial parts depends on the number of cars that the OEM will produce. Revenue from the sale of the serial parts is recognized at the point in time when control of the parts is transferred to the OEM, which is according to the delivery terms that are agreed with the OEM. Revenue is recognized based on the applicable sales price at the point in time the serial parts are transferred to the OEM. Control of the tools is transferred to the OEM at the point in time when the OEM accepts the tool.

Revenue recognized from contracts with customers is disclosed as revenue in the consolidated financial statements.

## 1.21 FINANCING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset are capitalized as a part of the acquisition costs of the qualified asset. All other financing costs are recognized directly in the income statement.

## 1.22 GOVERNMENT GRANTS

Government grants are assistance by government in the form of transfers of resources in return for compliance with certain conditions. Government grants related to capital expenditure (investment premiums) are initially recognized as a liability and subsequently recognized over the useful life of the subsidized tangible asset. If a government grant is awarded for the purpose of giving immediate financial support to an entity rather than an incentive to undertake specific expenditures, the grant is recognized in profit or loss of the period in which it becomes receivable and is deducted on the related expenses.

## 1.23 DEFINITION OF NON-GAAP MEASURES

EBIT as a subtotal includes all income and expenses before addition/deduction of financial income, financial expenses, share of profit of associated companies and income taxes. EBITDA as a subtotal includes EBIT before deduction of depreciation and impairment of tangible assets as well as amortization and impairment of intangible assets.

## 2 RISK MANAGEMENT

Autoneum maintains an internal control system with the objective of ensuring effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The internal control system is an important part of the risk management system.

The process of risk management is governed by the regulation “Autoneum Risk Management System”, which was adopted by the Board of Directors. The regulation defines the main categories of risk, which serve as a basis of the risk management, and the bodies that deal within the Group with the various risks. In addition, the regulation defines the procedures for detecting, reporting and managing risk and the criteria for qualitative and quantitative risk assessment.

The regulation defines the following main risk categories: strategic risk, operational risk, financial risk, compliance risk, capital risk, litigation and other risk (e.g. political, legal, organizational, environmental and work safety risk).

Besides the financial and capital risk (refer to paragraphs 2.1 and 2.2 respectively), the following risks within the main risk categories are a focus of Autoneum:

- Strategic risk: This risk results on the one hand from different markets in which Autoneum operates (local aspects, legal regulations, degree of maturity of markets). On the other hand, it results from the share of the customers in Autoneum’s revenue, as well as from the technical and regulatory requirements on Autoneum products.
- Operational risk: This risk results from the technical development of orders until end of production, from the need for cost-efficient production and the possibility of interruptions in production.

Strategic risk resulting from developments in the relevant markets and of the products offered therein is assessed as part of the strategic planning and financial planning processes. Strategic risk and operational risk are regularly reviewed at meetings within the Business Groups and with the CEO and the CFO of the Group. These meetings also deal with other risks impacting actual performance against budget, in order to identify and implement corrective measures.

Risks resulting from divestments or other major projects are monitored at Group level within the framework of authorities and approvals for the respective project. Quarterly project review reports are prepared for the attention of the Board of Directors.

Specific risks are addressed by periodic reports in dedicated bodies. Such reports cover environmental and work safety risk at the various sites, treasury risk and risk from legal actions and compliance.

An aggregate review of all identified risks and of the instruments and measures to address them is performed on a semi-annual basis by the Risk Council, consisting of representatives of all Business Groups and Corporate functions. The review results are reported to the Board of Directors and the Group Executive Board.

### 2.1 FINANCIAL RISK

As a result of its worldwide activities Autoneum is exposed to various financial risks, such as credit risk, liquidity risk and market risk (foreign exchange risk, interest rate risk and price risk).

Autoneum’s financial risk management aims to minimize the potential adverse impact of the development of the financial markets on the Group’s financial performance and to secure its financial stability. This may include the use of derivative financial instruments to hedge certain risk exposures. Financial risks are identified primarily locally and evaluated and managed centrally by Group Treasury in close cooperation with the Group’s legal units.

## CREDIT RISK

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as from exposures to customers, including outstanding receivables, contract assets and committed transactions. Credit risk may result in a financial loss if one party in a transaction is unable or unwilling to meet its obligations. It is Autoneum's objective to limit the impact of a default. The maximum risk of these positions corresponds to the book values of financial instruments that are classified as financial assets at amortized cost (refer to note 29 on page 107).

Credit risk of financial counterparties is monitored centrally by Group Treasury. Significant relationships with banks and financial institutions are basically only entered into with counterparties which would receive a BBB rating or higher in the categories of the largest rating agencies like e.g. Fitch. At the date of reporting, management does not expect significant losses from non-performance by financial institutions where funds are invested or financial transactions are outstanding.

Autoneum maintains business relationships with all significant automotive manufacturers and has a geographically broad, diversified customer portfolio. No customer accounted for more than 15.5% (2020: 11.6%) of Autoneum's revenue. The Group monitors the creditworthiness of its key customers by using independent ratings (if available) and by taking into account their financial position, past experience and other factors. The related credit risk is considered as low at the date of reporting. In accordance with IFRS 9, the Group calculates the Expected Credit Loss according to a provision matrix based on days the amounts are past due. For trade receivables which are not overdue by more than 180 days, expected credit losses are determined by using publicly available credit default probabilities for the individual customer based on their ratings. If at this stage information indicating a higher collection risk for individual customers is available, individual allowances are recognized for the respective balances. The risk of an impairment loss increases significantly for open trade receivable balances that are overdue for more than 180 days. Unless the open balance is negligible, an individual assessment is performed to estimate expected credit losses. Individual assessments incorporate forward-looking information such as macro-economic forecasts.

The average expected loss rates for trade receivables per aging category as well as for contract assets are as follows:

### AVERAGE EXPECTED LOSS RATE FOR TRADE RECEIVABLES PER AGING CATEGORY AS OF DECEMBER 31, 2021

CHF million	Not due	No more than 180 days overdue	181 days to one year overdue	More than 1 year overdue	Total
Expected loss rate (in %)	0.3%	2.0%	51.7%	88.9%	1.9%
Trade receivables (gross)	204.2	15.0	2.1	2.4	223.7
Allowance for impairment	-0.6	-0.3	-1.1	-2.1	-4.2
<b>Trade receivables</b>	<b>203.6</b>	<b>14.7</b>	<b>1.0</b>	<b>0.3</b>	<b>219.5</b>

### AVERAGE EXPECTED LOSS RATE FOR TRADE RECEIVABLES PER AGING CATEGORY AS OF DECEMBER 31, 2020

CHF million	Not due	No more than 180 days overdue	181 days to one year overdue	More than 1 year overdue	Total
Expected loss rate (in %)	0.5%	2.2%	51.4%	84.6%	1.8%
Trade receivables (gross)	228.5	17.7	2.7	1.9	250.8
Allowance for impairment	-1.1	-0.4	-1.4	-1.6	-4.5
<b>Trade receivables</b>	<b>227.4</b>	<b>17.3</b>	<b>1.3</b>	<b>0.3</b>	<b>246.5</b>



## AVERAGE EXPECTED LOSS RATE FOR CONTRACT ASSETS AS OF DECEMBER 31

CHF million	Not due 2021	Not due 2020
Expected loss rate (in %)	7.6%	10.3%
Contract assets (gross)	43.1	39.3
Allowance for impairment	-3.3	-4.1
<b>Contract assets</b>	<b>39.8</b>	<b>35.3</b>

## LIQUIDITY RISK

The objective of liquidity risk management is to ensure that sufficient financial resources are available at any point in time in order to be able to completely fulfill all payment obligations of the Group when due. As part of an integral budgeting and forecasting process, Group Treasury centrally monitors the planned liquidity position of the Group. Group Treasury compares the planned liquidity requirements with the available funds to detect shortages at an early stage. The liquidity risk management of Autoneum includes the maintenance of sufficient liquidity reserves and the availability of funding through an adequate amount of committed credit lines.

Beside several smaller bilateral credit facilities with banks, Autoneum maintains a credit agreement for the medium- and long-term financing with a group of banks in the amount of CHF 350.0 million, which expires on December 31, 2022. Furthermore, a bond in the amount of CHF 75.0 million with maturity as of July 4, 2023 and a bond in the amount of CHF 100.0 million with maturity as of December 8, 2025 have been issued, both of which are listed at the SIX Swiss Exchange (refer to note 23, page 100).

The following tables show the contractual maturities of Autoneum's financial liabilities (including interest).

Financial liabilities at December 31, 2021	Carrying amount	Contractual undiscounted cash flows			
		Less than 1 year	1 to 5 years	More than 5 years	Total cash flow
CHF million					
Bonds	174.8	2.0	178.6	-	180.5
Bank debts	164.4	164.7	0.6	-	165.3
Lease liabilities	282.3	37.4	113.6	226.4	377.4
Other borrowings	15.9	5.3	11.2	-	16.5
Trade payables	160.5	160.5	-	-	160.5
Accrued expenses	92.7	92.7	-	-	92.7
Other payables	13.4	13.4	-	-	13.4
<b>Total</b>	<b>904.0</b>	<b>476.0</b>	<b>303.9</b>	<b>226.4</b>	<b>1 006.4</b>

Financial liabilities at December 31, 2020	Carrying amount	Contractual undiscounted cash flows			
		Less than 1 year	1 to 5 years	More than 5 years	Total cash flow
CHF million					
Bonds	174.7	2.0	180.9	-	182.8
Bank debts	363.2	60.4	304.5	-	365.0
Lease liabilities	292.1	36.0	113.0	240.2	389.3
Other borrowings <sup>1</sup>	55.8	6.9	52.9	-	59.8
Trade payables	203.7	203.7	-	-	203.7
Accrued expenses	83.3	83.3	-	-	83.3
Other payables	13.2	13.2	-	-	13.2
<b>Total</b>	<b>1 186.1</b>	<b>405.6</b>	<b>651.3</b>	<b>240.2</b>	<b>1 297.2</b>

<sup>1</sup> In 2019, two shareholders of Autoneum Holding Ltd provided subordinated shareholder loans. The loans were fully repaid in 2021 (refer to note 30, page 108).

## FOREIGN EXCHANGE RISK

Due to the global nature of its activities, the Group is exposed to foreign exchange risk. Foreign exchange risk arises from investments in foreign subsidiaries (translation risk) as well as from transactions and financial assets or financial liabilities that are denominated in a currency other than the functional currency of a legal unit (transaction risk). In order to hedge transaction risk that cannot be eliminated through offsetting transactions in the same foreign currency (natural hedging), subsidiaries may use forward contracts, which are usually traded with banks via Group Treasury. The transaction risk from foreign currencies is monitored continuously.

The subsidiaries' cash holdings with banks are denominated mostly in the functional currency of the subsidiary. The majority of the business transacted in Autoneum's subsidiaries is also in their functional currency. At the reporting date, the Group held financial instruments which were denominated in currencies other than the functional currency of the respective Group company as follows:

CHF million	Assets	Liabilities	Assets	Liabilities
	31.12.2021	31.12.2021	31.12.2020	31.12.2020
EUR	73.1	57.1	100.2	73.2
USD	25.9	47.8	31.3	48.7
Other	19.8	2.0	20.9	7.1
<b>Total</b>	<b>118.9</b>	<b>106.9</b>	<b>152.3</b>	<b>129.0</b>

The Group is exposed to foreign exchange risk mostly against the euro and the US dollar. The currency-related sensitivity of the Group against these two currencies is shown in the following table:

CHF million	Reasonable shift	Impact on net result	Impact on equity
<b>December 31, 2021</b>			
EUR/CHF	+/- 10%	+/- 3.8	+/- 13.7
USD/CHF	+/- 10%	-/+ 5.2	+/- 48.2
<b>December 31, 2020</b>			
EUR/CHF	+/- 5%	+/- 2.3	+/- 8.6
USD/CHF	+/- 10%	-/+ 5.0	+/- 45.9

The potential impact on net result is mainly due to foreign exchange gains and losses on financial instruments as well as the translation of the profit or loss of foreign subsidiaries into Swiss francs for consolidation purposes. The impact on equity additionally includes currency translation adjustments arising from the translation of the net investment in foreign subsidiaries.

## INTEREST RATE RISK

The interest rate risk of the Group relates to interest-bearing assets and liabilities. Floating interest rate positions are subject to cash flow interest risk. Fixed-interest positions are subject to fair value interest risk if measured at fair value. In general, Autoneum aims to maintain, in consideration of seasonal fluctuations, a balanced relation between fixed and floating interest-bearing financial liabilities as disclosed in note 23 on page 100. The two bonds issued at fixed interest rates are not subject to any interest rate risk, whereas the long-term credit agreement with floating interest rates is subject to a cash flow interest risk. The Group analyzes the interest rate risk on a net basis. No hedging of the interest rate risk was performed in the reporting period or in the prior period. Based on the interest-bearing assets and liabilities that existed at December 31, 2021 a 100 basis point higher level of the respective underlying refinancing base rates (e.g. LIBOR, SARON) would lead to a CHF 0.9 million (2020: CHF 1.2 million) lower net result as well

as equity of the Group on an annual basis. A 100 basis point lower level of those rates would lead to a CHF 0.5 million (2020: CHF 0.5 million) higher net result as well as equity of the Group on an annual basis.

## PRICE RISK

Holding financial assets that are measured at fair value exposes Autoneum to a risk of price fluctuation. Autoneum holds a significant investment in Nihon Tokushu Toryo Co. Ltd., whose shares are listed on the Tokyo Stock Exchange. Autoneum is exposed to a price risk according to the fluctuations in the share price. This investment is classified as a financial asset at fair value through other comprehensive income and changes in the share price do not impact profit or loss. The amount of financial assets at fair value through profit or loss that Autoneum held is not significant (refer to note 16, page 94 and note 29, page 107).

## 2.2 CAPITAL RISK

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders, and to maintain an optimally leveraged capital structure in order to reduce the cost of capital. Autoneum aims to reach a stable investment grade rating as perceived by bank partners and debt investors.

Autoneum Group therefore targets a healthy balance sheet with an adequate portion of equity. In the mid-term, Autoneum aims for an equity ratio above 35%. As of December 31, 2021 the equity ratio equaled 30.0% (December 31, 2020: 22.9%). For the next few years, the dividend policy will depend on a number of factors, such as net result and the financial situation of the Group, the demand for capital and liquidity, the general business environment as well as legal and contractual restrictions. Subject to the foregoing, the Group intends to distribute at least 30% of its net result attributable to shareholders of Autoneum Holding Ltd. Dividends, if any, are expected to be declared and paid in Swiss francs.

## 3 CHANGE IN SCOPE OF CONSOLIDATION AND SIGNIFICANT TRANSACTIONS

In 2021 Autoneum (Changsha) Management Co., Ltd. was liquidated. There was no change in scope of consolidation in 2020.

## 4 SEGMENT INFORMATION

Segment information is based on Autoneum Group's internal organization and management structure as well as on the internal financial reporting to the Group Executive Board and the Board of Directors. The chief operating decision maker is the CEO.

Autoneum is the leading global automobile supplier in acoustic and thermal management for vehicles. Autoneum develops and produces multifunctional and lightweight components and systems for noise and heat protection and thereby enhances vehicle comfort.

The reporting is based on the following four reportable segments (Business Groups/BG): BG Europe, BG North America, BG Asia and BG SAMEA (South America, Middle East and Africa). "Corporate and elimination" include Autoneum Holding Ltd and the corporate center with its respective legal entities, an operation that produces parts for Autoneum's manufacturing lines, investments in associates and inter-segment elimination. Transactions between the Business Groups are made on the same basis as with independent third parties.

## SEGMENT INFORMATION 2021

CHF million	BG Europe	BG North America	BG Asia	BG SAMEA	Total segments	Corporate and elimination	Total Group
Third-party revenue	635.7	686.9	278.2	93.7	1 694.5	5.9	1 700.4
Inter-segment revenue	1.2	0.1	2.8	1.0	5.2	-5.2	-
Revenue	636.9	687.0	281.0	94.7	1 699.6	0.8	1 700.4
EBITDA	73.6	10.2	62.1	20.5	166.4	13.4	179.8
in % of revenue	11.6%	1.5%	22.1%	21.7%	9.8%	n/a	10.6%
Depreciation, amortization and impairment	-41.4	-47.7	-22.7	-4.8	-116.6	-5.6	-122.3
EBIT	32.2	-37.5	39.3	15.7	49.7	7.8	57.5
in % of revenue	5.1%	-5.5%	14.0%	16.6%	2.9%	n/a	3.4%
Assets at December 31 <sup>1</sup>	446.6	628.9	279.4	56.5	1 411.4	90.6	1 502.0
Liabilities at December 31	332.2	463.0	156.3	42.3	993.7	57.0	1 050.8
Addition in tangible and intangible assets	24.5	11.3	13.1	4.6	53.4	1.0	54.4
Employees at December 31 <sup>2</sup>	4 100	4 300	2 136	926	11 462	378	11 840

<sup>1</sup> Assets in "Corporate and elimination" include investments in associated companies in the amount of CHF 22.4 million, refer to note 15, page 94.

<sup>2</sup> Full-time equivalents including temporary employees (excluding apprentices).

## SEGMENT INFORMATION 2020

CHF million	BG Europe	BG North America	BG Asia	BG SAMEA	Total segments	Corporate and elimination	Total Group
Third-party revenue	640.4	753.5	252.1	87.5	1 733.6	7.0	1 740.6
Inter-segment revenue	1.4	-	2.0	0.9	4.3	-4.3	-
Revenue	641.8	753.5	254.1	88.4	1 737.9	2.7	1 740.6
EBITDA	62.1	7.1	41.0	15.9	126.1	22.3	148.5
in % of revenue	9.7%	0.9%	16.1%	18.0%	7.3%	n/a	8.5%
Depreciation, amortization and impairment	-40.6	-50.7	-18.8	-5.0	-115.1	-5.5	-120.6
EBIT	21.5	-43.6	22.2	10.9	11.0	16.9	27.8
in % of revenue	3.3%	-5.8%	8.7%	12.3%	0.6%	n/a	1.6%
Assets at December 31 <sup>1</sup>	522.0	669.3	277.4	68.8	1 537.5	270.6	1 808.1
Liabilities at December 31	417.5	510.1	171.8	45.9	1 145.4	249.0	1 394.5
Addition in tangible and intangible assets	19.5	23.8	8.0	2.4	53.8	0.6	54.4
Employees at December 31 <sup>2</sup>	4 372	4 895	2 192	910	12 369	405	12 774

<sup>1</sup> Assets in "Corporate and elimination" include investments in associated companies in the amount of CHF 20.5 million, refer to note 15, page 94.

<sup>2</sup> Full-time equivalents including temporary employees (excluding apprentices).

## REVENUE AND NON-CURRENT ASSETS BY COUNTRY

CHF million	Revenue <sup>1</sup> 2021	Revenue <sup>1</sup> 2020	Non-current assets <sup>2</sup> 31.12.2021	Non-current assets <sup>2</sup> 31.12.2020
USA	508.0	546.2	272.1	292.2
China	252.7	231.9	111.0	114.2
Germany	148.0	134.4	18.3	21.4
France	109.8	104.0	23.9	26.7
Mexico	106.1	116.8	77.2	82.8
Great Britain	102.1	96.2	23.0	26.3
Spain	77.7	87.8	26.4	31.9
Canada	74.4	92.3	8.7	10.4
Switzerland <sup>3</sup>	2.3	2.1	77.8	81.3
Remaining countries	319.3	328.9	141.1	153.2
<b>Total</b>	<b>1 700.4</b>	<b>1 740.6</b>	<b>779.6</b>	<b>840.5</b>

<sup>1</sup> Revenue is disclosed by location of customers.

<sup>2</sup> Non-current assets consist of tangible assets, intangible assets and investments in associated companies.

<sup>3</sup> Domicile of Autoneum Holding Ltd.

The following customers accounted for more than 10% of annual revenue in 2021 or 2020:

## REVENUE WITH MAJOR CUSTOMERS

CHF million	2021	2020
BMW	263.7	200.3
Toyota	194.8	175.6
Ford	165.1	202.3
Honda	161.7	186.4

Information on revenue by product group is not available. The major customers generate revenue in all geographic segments.

When Autoneum is nominated by an OEM the contract includes that Autoneum will manufacture a tool which is sold to the OEM before the start of production and that Autoneum will produce and deliver serial parts to the OEM over the production period, which is usually between five and eight years. As the OEM's production volumes are continuously adapted to the market demand, the number of serial parts that Autoneum will deliver to the OEM can only be estimated. Autoneum expects that the contracts for which Autoneum was nominated as of December 31, 2021 will generate revenue of CHF 10.2 billion (December 31, 2020: CHF 9.6 billion) in future years.

## 5 EMPLOYEE EXPENSES

CHF million	2021	2020
Wages and salaries	-358.0	-367.8
Social security expenses	-97.5	-90.3
Pension expenses for defined benefit plans	-6.2	-1.8
Pension expenses for defined contribution plans	-5.6	-5.6
Other personnel expenses	-43.7	-40.2
<b>Total</b>	<b>-510.9</b>	<b>-505.8</b>

The Group has benefited from different payroll reliefs due to Covid-19 in 2021 and 2020, including relief plans relating to short-time work, wage subsidy programs and reductions in social security expenses.



Autoneum started a long-term incentive plan (LTI) for the management in 2012. Part of Autoneum's net result is allocated to beneficiaries defined in advance by granting them shares of Autoneum Holding Ltd. The shares become property of the beneficiaries after a vesting period of 35 months, if the beneficiaries are then still employed by an Autoneum company. Immediate vesting occurs in case of death or retirement of the beneficiary. In case of employment termination, shares not yet vested lapse without compensation. Exceptions are possible at the discretion of the Nomination and Compensation Committee. Vesting occurs every year in April. Employee expenses resulting from share-based compensation in the course of the LTI are recognized over the vesting period. No shares were granted in 2021 and 2020. For the remaining LTI expenses of CHF 0.1 million (2020: CHF 0.3 million) were recognized in wages and salaries.

Members of the Board of Directors receive part of their remuneration in Autoneum shares. 5 414 shares (2020: 11 605 shares) valued at CHF 178.02 (2020: CHF 60.53) were granted in 2021, and expenses of CHF 1.0 million (2020: CHF 0.7 million) were recognized in wages and salaries.

Members of the Group Executive Board receive part of their remuneration in Autoneum shares. 6273 shares (2020: 637 shares) valued at a weighted average share price of CHF 182.74 (2020: CHF 113.15) were granted in 2021, and expenses of CHF 1.1 million (2020: CHF 0.1 million) were recognized in wages and salaries.

At the beginning of the 2020 financial year, the Board of Directors approved the one-off and extraordinary participation in a turnaround incentive plan (TIP), with a vesting period ending at the end of February 2023. According to the plan provisions, shares were granted exclusively in the 2020 financial year. The members of the Group's senior management including the Group Executive Board were granted an individual, maximum number of Autoneum shares on a one-off basis in the 2020 financial year. The shares become property of the beneficiaries after a vesting period of 35 months, if the beneficiaries are then still employed by an Autoneum company and if the targets set for the turnaround are achieved at the end of the term of the TIP. The targets set are based on the profitability (EBIT) and free cash flow of the Group for the financial years 2020 to 2022, both criteria weighted 50% each. Minimum and maximum limits are defined for the weighted targets. The achievement of the minimum limit is a condition for the transfer of shares. The maximum limit corresponds to the maximum number of shares originally granted. Between the two limits, the actual number of shares transferred increases linearly. The entitlement to the other shares lapses without compensation.

The actual number of shares transferred is calculated after the end of the vesting period at the end of February 2023 taking into account the turnaround targets. Employee expenses resulting from share-based compensation in the course of the TIP are recognized over the vesting period. 8 701 shares valued at CHF 60.80 were granted in 2020, and expenses of CHF 0.2 million were recognized in wages and salaries in 2021 (2020: CHF 0.1 million).

## 6 OTHER EXPENSES

CHF million	2021	2020
Repairs and maintenance	-62.9	-65.1
Energy	-58.2	-57.0
Marketing and distribution expenses	-43.7	-46.4
Operating material	-19.8	-21.3
Insurance and other charges	-17.4	-16.8
IT and office expenses	-15.1	-15.7
Lease expenses	-10.3	-11.8
Audit and consulting expenses	-10.2	-14.8
Loss from disposal of subsidiary or business	-0.2	-
Miscellaneous expenses	-37.8	-44.7
<b>Total</b>	<b>-275.6</b>	<b>-293.5</b>

## 7 OTHER INCOME

CHF million	2021	2020
Rental income	1.1	1.6
Gain from disposal of subsidiary or business <sup>1</sup>	-	1.8
Miscellaneous income	31.2	31.6
<b>Total</b>	<b>32.3</b>	<b>35.0</b>

<sup>1</sup> Earn-out received from transactions in previous periods.

Miscellaneous income contains mainly income generated with by-products arising during the manufacturing process and income from release of unused provisions.

## 8 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

CHF million	2021	2020
Depreciation of tangible assets	-118.8	-117.4
Impairment of tangible assets	-	-0.3
Amortization of intangible assets	-3.4	-2.9
<b>Total</b>	<b>-122.3</b>	<b>-120.6</b>

## 9 FINANCIAL INCOME

CHF million	2021	2020
Interest income	2.7	2.0
Dividend income	1.0	1.0
Other financial income	0.1	0.3
<b>Total</b>	<b>3.8</b>	<b>3.4</b>

## 10 FINANCIAL EXPENSES

CHF million	2021	2020
Interest expenses	-21.9	-28.4
Net loss on net monetary position from hyperinflationary accounting	-1.8	-0.8
Net foreign exchange losses	-0.3	-7.6
<b>Total</b>	<b>-24.0</b>	<b>-36.8</b>

Interest expenses include CHF 11.8 million (2020: CHF 12.5 million) interest expenses for lease liabilities, CHF 0.9 million (2020: CHF 0.7 million) amortization of transactions costs and CHF 0.8 million (2020: CHF 1.0 million) interest expenses for defined benefit plans.

**11 INCOME TAXES**

CHF million	2021	2020
Current income taxes	-21.4	-11.0
Deferred income taxes	11.1	2.4
<b>Total</b>	<b>-10.3</b>	<b>-8.6</b>

## Reconciliation between expected and actual income tax result:

CHF million	2021	2020
Earnings before taxes	40.4	-2.1
Average applicable income tax rate	24.5%	23.9%
<b>Expected income tax result</b>	<b>-9.9</b>	<b>0.5</b>
Non-taxable income and non-deductible expenses	-1.7	-1.6
Current income taxes from prior periods	0.3	0.6
Current year losses for which no deferred income tax assets were recognized	-7.1	-13.0
Utilization of previously unrecognized tax loss carryforwards	4.1	4.8
Recognition of previously unrecognized or derecognition of deductible temporary differences	5.5	1.3
Non-recoverable withholding taxes	-3.9	-2.1
Income taxes at other income tax rates or taxable base	1.3	-1.2
Impact of changes in income tax rates	1.0	1.2
Other effects	-0.1	1.0
<b>Income tax expenses</b>	<b>-10.3</b>	<b>-8.6</b>

The change in the average applicable income tax rate is mainly due to the different geographic composition of earnings before taxes.

Deferred income tax assets and liabilities pertain to the following balance sheet line items:

CHF million	Deferred income tax assets 31.12.2021	Deferred income tax liabilities 31.12.2021	Deferred income tax assets 31.12.2020	Deferred income tax liabilities 31.12.2020
Tangible assets	2.2	28.5	1.5	27.2
Intangible assets	1.3	-	1.2	-
Non-current financial assets	-	1.9	-	4.0
Employee benefit assets	-	2.0	-	0.6
Other non-current assets	0.4	11.2	0.2	11.6
Inventories	0.5	0.3	0.6	1.5
Other current assets	1.7	1.1	1.3	1.4
Employee benefit liabilities	1.0	0.9	2.9	-
Provisions	0.4	0.3	0.4	0.3
Other liabilities	12.6	6.6	7.6	0.7
Tax loss carryforwards and tax credits	33.5	-	26.4	-
Inflation adjustment	0.6	-	0.2	-
<b>Subtotal</b>	<b>54.2</b>	<b>52.8</b>	<b>42.2</b>	<b>47.2</b>
Offsetting	-30.9	-30.9	-19.7	-19.7
<b>Total</b>	<b>23.3</b>	<b>21.9</b>	<b>22.4</b>	<b>27.5</b>

The change from a net deferred income tax liability of CHF 5.1 million as per prior year-end to a net deferred income tax asset of CHF 1.4 million as of December 31, 2021 relates to the deferred income tax income recognized in the consolidated income statement of CHF 11.1 million (2020: CHF 2.4 million), to the deferred

income tax expense recognized in other comprehensive income of CHF 3.2 million (2020: CHF 0.8 million), a positive inflation adjustment of CHF 0.4 million (2020: CHF 0.3 million) and to a negative currency translation adjustment of CHF 1.9 million (2020: positive currency translation adjustment of CHF 0.5 million).

No deferred income tax assets are recognized from deductible temporary differences in the amount of CHF 127.4 million (December 31, 2020: CHF 136.6 million). At the reporting date, tax loss carryforwards of CHF 84.3 million (December 31, 2020: CHF 55.8 million) are recognized for Group companies that incurred losses in 2021 or 2020 (2020 or 2019) supported by taxable temporary differences and expected future profitability.

The table below discloses tax loss carryforwards by their year of expiry:

CHF million	Recognized <sup>1</sup> 31.12.2021	Non-rec- ognized <sup>2</sup> 31.12.2021	Recognized <sup>1</sup> 31.12.2020	Non-rec- ognized <sup>2</sup> 31.12.2020
Less than 3 years	0.7	3.7	–	12.8
In 3 to 7 years	14.1	16.1	10.5	12.5
Thereafter	108.8	367.6	86.2	371.3
<b>Total</b>	<b>123.7</b>	<b>387.4</b>	<b>96.8</b>	<b>396.5</b>

<sup>1</sup> Tax loss carryforwards for which deferred income tax assets are recognized.

<sup>2</sup> Tax loss carryforwards for which no deferred income tax assets are recognized.

The tax loss carryforwards for which no deferred income tax assets were recognized originate from countries with a deferred income tax rate between 9% and 34% in both the reporting year and the prior year.

The table below discloses tax credits by their year of expiry:

CHF million	Recognized <sup>1</sup> 31.12.2021	Non-rec- ognized <sup>2</sup> 31.12.2021	Recognized <sup>1</sup> 31.12.2020	Non-rec- ognized <sup>2</sup> 31.12.2020
Less than 3 years	–	1.4	–	1.3
In 3 to 7 years	–	16.4	–	15.9
Thereafter	2.9	12.1	2.1	10.0
<b>Total</b>	<b>2.9</b>	<b>29.9</b>	<b>2.1</b>	<b>27.2</b>

<sup>1</sup> Tax credits for which deferred income tax assets are recognized.

<sup>2</sup> Tax credits for which no deferred income tax assets are recognized.

## 12 EARNINGS PER SHARE

		2021	2020
Net result attributable to shareholders of AUTN	CHF million	22.8	–25.3
Average number of shares outstanding	Number of shares	4 644 321	4 640 846
Average number of shares outstanding diluted	Number of shares	4 657 211	4 648 297
Basic earnings per share	CHF	4.91	–5.45
Diluted earnings per share	CHF	4.90	–5.45

The average number of shares outstanding is calculated based on the number of shares issued less the weighted average number of treasury shares held. The shares vested but not yet transferred in the course of the management's long-term incentive plan (LTI), the turnaround incentive plan (TIP), and the performance-related bonus lead to a diluted average number of shares outstanding but have no dilution effect to net result attributable to shareholders of Autoneum.

**13 TANGIBLE ASSETS****TANGIBLE ASSETS 2021**

CHF million	Land and buildings	Machinery and plant equipment	Data-processing equipment	Vehicles and furniture	Tangible assets under construction	Total
Cost at January 1, 2021	565.1	1 296.3	33.2	46.0	38.8	1 979.4
Addition	14.7	5.9	0.7	3.5	28.5	53.3
Disposal	-3.8	-21.7	-1.1	-3.0	-0.2	-29.8
Modification	-3.1	-	-	0.1	-	-2.9
Reclassification	2.1	35.0	-	1.1	-38.1	-
Inflation adjustment	-	3.1	0.1	-	-	3.1
Currency translation adjustment	3.3	8.0	0.3	-0.2	0.3	11.8
<b>Cost at December 31, 2021</b>	<b>578.3</b>	<b>1 326.7</b>	<b>33.1</b>	<b>47.5</b>	<b>29.3</b>	<b>2 014.9</b>
Accumulated depreciation and impairment at January 1, 2021	-211.3	-903.9	-24.1	-29.7	-	-1 168.9
Depreciation	-34.8	-73.0	-4.1	-7.0	-	-118.8
Disposal	3.6	19.8	1.1	2.9	-	27.5
Reclassification	0.4	-2.0	1.8	-0.1	-	-
Inflation adjustment	-	-2.3	-	-	-	-2.4
Currency translation adjustment	0.1	-2.2	-0.2	0.1	-	-2.3
<b>Accumulated depreciation and impairment at December 31, 2021</b>	<b>-242.0</b>	<b>-963.6</b>	<b>-25.5</b>	<b>-33.8</b>	<b>-</b>	<b>-1 264.9</b>
Net book value at January 1, 2021	353.8	392.4	9.1	16.4	38.8	810.5
<b>Net book value at December 31, 2021</b>	<b>336.3</b>	<b>363.0</b>	<b>7.6</b>	<b>13.7</b>	<b>29.4</b>	<b>750.0</b>

**TANGIBLE ASSETS 2021 EXCLUDING RIGHT-OF-USE ASSETS**

CHF million	Land and buildings	Machinery and plant equipment	Data-processing equipment	Vehicles and furniture	Tangible assets under construction	Total
Cost at January 1, 2021	257.8	1 284.9	32.4	30.8	38.8	1 644.7
Addition	0.1	4.6	0.7	0.3	28.5	34.1
Disposal	-0.3	-20.1	-1.0	-0.4	-0.2	-21.9
Reclassification	2.1	35.0	-	1.1	-38.1	-
Inflation adjustment	-	3.1	0.1	-	-	3.1
Currency translation adjustment	0.7	7.9	0.3	0.3	0.3	9.5
<b>Cost at December 31, 2021</b>	<b>260.4</b>	<b>1 315.3</b>	<b>32.3</b>	<b>32.2</b>	<b>29.3</b>	<b>1 669.6</b>
Accumulated depreciation and impairment at January 1, 2021	-163.2	-899.3	-23.7	-23.0	-	-1 109.2
Depreciation	-8.5	-70.3	-3.8	-3.0	-	-85.6
Disposal	0.1	18.2	1.0	0.3	-	19.7
Reclassification	0.4	-2.0	1.8	-0.2	-	-
Inflation adjustment	-	-2.3	-	-	-	-2.4
Currency translation adjustment	-0.9	-2.1	-0.2	0.1	-	-3.1
<b>Accumulated depreciation and impairment at December 31, 2021</b>	<b>-172.1</b>	<b>-957.8</b>	<b>-24.9</b>	<b>-25.7</b>	<b>-</b>	<b>-1 180.5</b>
Net book value at January 1, 2021	94.6	385.6	8.7	7.8	38.8	535.5
<b>Net book value at December 31, 2021</b>	<b>88.3</b>	<b>357.5</b>	<b>7.4</b>	<b>6.5</b>	<b>29.3</b>	<b>489.1</b>



## RIGHT-OF-USE ASSETS 2021

CHF million	Land and buildings	Machinery and plant equipment	Data-processing equipment	Vehicles and furniture	Tangible assets under construction	Total
Cost at January 1, 2021	307.3	11.5	0.8	15.2	-	334.7
Addition	14.6	1.3	-	3.2	-	19.1
Disposal	-3.5	-1.6	-0.1	-2.6	-	-7.8
Modification	-3.1	-	-	0.1	-	-2.9
Currency translation adjustment	2.6	0.2	-	-0.5	-	2.2
<b>Cost at December 31, 2021</b>	<b>317.9</b>	<b>11.3</b>	<b>0.8</b>	<b>15.3</b>	<b>-</b>	<b>345.3</b>
Accumulated depreciation and impairment at January 1, 2021	-48.1	-4.6	-0.4	-6.6	-	-59.8
Depreciation	-26.3	-2.7	-0.3	-4.1	-	-33.3
Disposal	3.5	1.6	0.1	2.6	-	7.8
Currency translation adjustment	1.0	-0.2	-	-	-	0.8
<b>Accumulated depreciation and impairment at December 31, 2021</b>	<b>-69.9</b>	<b>-5.9</b>	<b>-0.5</b>	<b>-8.1</b>	<b>-</b>	<b>-84.4</b>
Net book value at January 1, 2021	259.2	6.8	0.4	8.6	-	275.0
<b>Net book value at December 31, 2021</b>	<b>248.0</b>	<b>5.5</b>	<b>0.3</b>	<b>7.2</b>	<b>-</b>	<b>260.9</b>

## TANGIBLE ASSETS 2020

CHF million	Land and buildings	Machinery and plant equipment	Data-processing equipment	Vehicles and furniture	Tangible assets under construction	Total
Cost at January 1, 2020	550.2	1 355.0	34.9	44.7	96.1	2 081.0
Addition	4.1	10.8	0.9	3.9	33.9	53.7
Disposal	-3.8	-19.4	-1.7	-2.5	-1.7	-29.1
Modification	0.3	-0.1	-	-	-	0.2
Reclassification	43.2	36.1	1.6	2.5	-83.4	-
Inflation adjustment	-	1.8	0.1	-	-0.1	1.8
Currency translation adjustment	-29.0	-87.8	-2.6	-2.7	-6.1	-128.2
<b>Cost at December 31, 2020</b>	<b>565.1</b>	<b>1 296.3</b>	<b>33.2</b>	<b>46.0</b>	<b>38.8</b>	<b>1 979.4</b>
Accumulated depreciation and impairment at January 1, 2020	-186.2	-903.5	-23.2	-25.6	-	-1 138.5
Depreciation	-33.4	-72.1	-4.4	-7.6	-	-117.4
Impairment	-	-	-	-0.3	-	-0.3
Disposal	3.7	17.6	1.6	2.1	-	25.0
Reclassification	-3.2	3.2	-	-	-	-
Inflation adjustment	-	-1.2	-	-	-	-1.2
Currency translation adjustment	7.8	52.2	1.8	1.7	-	63.5
<b>Accumulated depreciation and impairment at December 31, 2020</b>	<b>-211.3</b>	<b>-903.9</b>	<b>-24.1</b>	<b>-29.7</b>	<b>-</b>	<b>-1 168.9</b>
Net book value at January 1, 2020	364.0	451.6	11.7	19.1	96.1	942.5
<b>Net book value at December 31, 2020</b>	<b>353.8</b>	<b>392.4</b>	<b>9.1</b>	<b>16.4</b>	<b>38.8</b>	<b>810.5</b>

## TANGIBLE ASSETS 2020 EXCLUDING RIGHT-OF-USE ASSETS

CHF million	Land and buildings	Machinery and plant equipment	Data-processing equipment	Vehicles and furniture	Tangible assets under construction	Total
Cost at January 1, 2020	269.2	1 299.5	34.3	31.5	96.1	1 730.6
Addition	0.3	6.8	0.7	0.2	33.9	41.9
Disposal	-1.5	-18.8	-1.7	-1.2	-1.7	-24.9
Reclassification	2.4	76.9	1.6	2.5	-83.4	-
Inflation adjustment	-	1.8	0.1	-	-0.1	1.8
Currency translation adjustment	-12.5	-81.4	-2.6	-2.2	-6.1	-104.7
<b>Cost at December 31, 2020</b>	<b>257.8</b>	<b>1 284.9</b>	<b>32.4</b>	<b>30.8</b>	<b>38.8</b>	<b>1 644.7</b>
Accumulated depreciation and impairment at January 1, 2020	-162.1	-898.0	-23.0	-21.7	-	-1 104.8
Depreciation	-8.4	-68.4	-4.2	-3.4	-	-84.3
Impairment	-	-	-	-0.3	-	-0.3
Disposal	1.4	16.9	1.6	0.9	-	20.8
Inflation adjustment	-	-1.2	-	-	-	-1.2
Currency translation adjustment	6.0	51.5	1.8	1.5	-	60.7
<b>Accumulated depreciation and impairment at December 31, 2020</b>	<b>-163.2</b>	<b>-899.3</b>	<b>-23.7</b>	<b>-23.0</b>	<b>-</b>	<b>-1 109.2</b>
Net book value at January 1, 2020	107.1	401.6	11.3	9.8	96.1	625.8
<b>Net book value at December 31, 2020</b>	<b>94.6</b>	<b>385.6</b>	<b>8.7</b>	<b>7.8</b>	<b>38.8</b>	<b>535.5</b>

## RIGHT-OF-USE ASSETS 2020

CHF million	Land and buildings	Machinery and plant equipment	Data-processing equipment	Vehicles and furniture	Tangible assets under construction	Total
Cost at January 1, 2020	281.0	55.5	0.6	13.2	-	350.4
Addition	3.9	4.1	0.2	3.7	-	11.9
Disposal	-2.3	-0.7	-	-1.2	-	-4.2
Modification	0.3	-0.1	-	-	-	0.2
Reclassification	40.8	-40.8	-	-	-	-
Currency translation adjustment	-16.5	-6.4	-0.1	-0.5	-	-23.5
<b>Cost at December 31, 2020</b>	<b>307.3</b>	<b>11.5</b>	<b>0.8</b>	<b>15.2</b>	<b>-</b>	<b>334.7</b>
Accumulated depreciation and impairment at January 1, 2020	-24.1	-5.5	-0.2	-3.9	-	-33.7
Depreciation	-25.0	-3.7	-0.2	-4.2	-	-33.1
Disposal	2.3	0.7	-	1.2	-	4.2
Reclassification	-3.2	3.2	-	-	-	-
Currency translation adjustment	1.9	0.7	-	0.2	-	2.8
<b>Accumulated depreciation and impairment at December 31, 2020</b>	<b>-48.1</b>	<b>-4.6</b>	<b>-0.4</b>	<b>-6.6</b>	<b>-</b>	<b>-59.8</b>
Net book value at January 1, 2020	257.0	50.0	0.4	9.3	-	316.7
<b>Net book value at December 31, 2020</b>	<b>259.2</b>	<b>6.8</b>	<b>0.4</b>	<b>8.6</b>	<b>-</b>	<b>275.0</b>

Tangible assets of CHF 0.4 million (December 31, 2020: CHF 1.2 million) are pledged as security for financial liabilities.

Lease accounting has impacted profit or loss and the consolidated statement of cash flows as follows:

CHF million	2021	2020
Lease expenses relating to short-term leases and low-value assets	-10.3	-11.8
Depreciation charge for right-of-use assets	-33.3	-33.1
Interest expenses on lease liabilities	-11.8	-12.5
<b>Total recognized in profit or loss</b>	<b>-55.5</b>	<b>-57.4</b>
Lease expenses paid relating to short-term leases and low-value assets	-10.3	-11.8
Interest paid on lease liabilities	-11.8	-12.5
<b>Total recognized in cash flows from operating activities</b>	<b>-22.2</b>	<b>-24.3</b>
Repayment of lease liabilities	-28.1	-28.9
<b>Total recognized in cash flows (used in)/from financing activities</b>	<b>-28.1</b>	<b>-28.9</b>
<b>Total cash flows used for leases</b>	<b>-50.3</b>	<b>-53.2</b>

## IMPAIRMENT

Tangible assets are tested for impairment if there are indications that, due to changed circumstances, their carrying amount may no longer be recoverable. Neither in 2021 nor in 2020, material impairments have been identified as a result of this test and the carrying amount of the cash-generating units are recoverable.

## 14 INTANGIBLE ASSETS

CHF million	2021	2020
Cost at January 1	25.2	25.4
Addition	1.0	0.7
Disposal	-	-0.1
Currency translation adjustment	0.1	-0.7
<b>Cost at December 31</b>	<b>26.4</b>	<b>25.2</b>
Accumulated amortization at January 1	-15.8	-13.4
Amortization	-3.4	-2.9
Disposal	-	0.1
Currency translation adjustment	-	0.4
<b>Accumulated amortization at December 31</b>	<b>-19.2</b>	<b>-15.8</b>
Net book value at January 1	9.4	12.0
<b>Net book value at December 31</b>	<b>7.1</b>	<b>9.4</b>

Intangible assets comprise mainly investments in a new ERP system and do not include any internally generated intangible asset.

## 15 INVESTMENTS IN ASSOCIATED COMPANIES

Investments in associated companies comprise the 30% share in SRN Sound Proof Co., Ltd., Chonburi, Thailand, the 25% share in Wuhan Nittoku Autoneum Sound-Proof Co. Ltd., Wuhan, China, the 25% share in Wuhan Nittoku Autoneum Auto Parts Co. Ltd., Wuhan, China, and the 25% share in ATN Auto Acoustics Inc., Kamioguchi, Japan. The investments in associated companies are measured using the equity method. The net book value of investments in associated companies changed as follows:

CHF million	2021	2020
Net book value at January 1	20.5	18.5
Addition	-	1.4
Share of profit of associated companies	3.1	3.5
Dividends received	-1.6	-1.8
Currency translation adjustment	0.4	-1.0
<b>Net book value at December 31</b>	<b>22.4</b>	<b>20.5</b>

The 2020 dividend payment of Wuhan Nittoku Autoneum Sound-Proof Co. Ltd. based in Wuhan, China, was fully used for a capital increase into Wuhan Nittoku Autoneum Auto Parts Co. Ltd. based in Wuhan, China. These two transactions are shown net as non-cash transactions in the 2020 consolidated statement of cash flows.

## 16 FINANCIAL ASSETS

CHF million	31.12.2021	31.12.2020
Investments in non-consolidated companies	23.1	33.8
Loans	0.5	2.4
Other financial assets	7.4	6.7
<b>Total non-current portion</b>	<b>31.1</b>	<b>42.9</b>
Loans	0.5	0.9
Time deposits with original maturities between 3 and 12 months	-	0.1
<b>Total current portion</b>	<b>0.5</b>	<b>1.0</b>

The decrease in investments in non-consolidated companies results from a change in the market value of the investment in Nihon Tokushu Toryo Co. Ltd. of CHF 10.7 million which is recognized in other comprehensive income.

## 17 OTHER ASSETS

CHF million	31.12.2021	31.12.2020
Capitalized preproduction costs	65.0	67.4
Contract assets	26.3	24.8
Other receivables	1.9	0.9
<b>Total non-current portion</b>	<b>93.2</b>	<b>93.0</b>
Accrued income	28.3	23.3
Non-income tax receivables	23.7	26.6
Contract assets	13.5	10.5
Deferred expenses	4.5	5.3
Advance payments to suppliers	2.1	3.1
Fair value of derivative financial instruments	1.4	1.7
Other receivables	7.3	4.2
<b>Total current portion</b>	<b>80.8</b>	<b>74.8</b>

Contract assets result mainly when tools are sold to the OEM and Autoneum is not reimbursed at the same point in time, but with a predefined part of the price of the serial products that are sold to the OEM over the production period. The contract assets are transferred to receivables when the right for payment becomes unconditional. This usually occurs when the Group issues an invoice to the customer, which is expected within the next year for the current portion and within the next two to eight years for the non-current portion.

The following table shows the movements in capitalized pre-production costs during the year:

CHF million	2021	2020
Net book value at January 1	67.4	83.5
Capitalization of preproduction costs	14.1	12.8
Amortization of preproduction costs	-17.2	-25.5
Currency translation adjustment	0.8	-3.4
<b>Net book value at December 31</b>	<b>65.0</b>	<b>67.4</b>

Autoneum spent CHF 45.4 million (2020: CHF 42.8 million) on research and development in the period under review, whereof CHF 14.1 million (2020: CHF 12.8 million) were capitalized. The remaining portion was recognized as an expense in the period when incurred.

## 18 INVENTORIES

CHF million	31.12.2021	31.12.2020
Raw materials and consumables	32.7	25.8
Purchased parts	1.4	1.6
Finished goods	27.0	26.3
Work in progress	92.0	106.9
Allowance	-4.8	-6.6
<b>Total</b>	<b>148.3</b>	<b>154.0</b>

## 19 TRADE RECEIVABLES

CHF million	31.12.2021	31.12.2020
Trade receivables (gross)	223.6	251.0
Allowance for impairment	-4.1	-4.5
<b>Total</b>	<b>219.5</b>	<b>246.5</b>

The following table summarizes the movement in the allowance for impairment:

CHF million	2021	2020
Allowance at January 1	-4.5	-2.5
Addition	-1.2	-2.7
Utilization	0.7	0.1
Release	1.0	0.5
Currency translation adjustment	-	0.2
<b>Allowance at December 31</b>	<b>-4.1</b>	<b>-4.5</b>



Trade receivables comprise receivables due from customers with the below-mentioned credit rating. The rating systematic can be seen as being congruent to the rating categories applied by the largest worldwide known rating agencies like e.g. Fitch:

CHF million	31.12.2021	31.12.2020
A- or higher	94.5	90.1
BBB- to BBB+	55.8	56.4
BB+ or lower	55.5	89.4
Not rated	13.8	10.6
<b>Total</b>	<b>219.5</b>	<b>246.5</b>

At December 31, 2021 no trade receivables are pledged as security for financial liabilities (December 31, 2020: nil). No trade receivables (December 31, 2020: CHF 0.1 million) were sold to third parties based on factoring agreements and no material risks remain with Autoneum.

## 20 CASH AND CASH EQUIVALENTS

CHF million	31.12.2021	31.12.2020
Cash at banks	102.4	232.0
Time deposits with original maturities up to 3 months	1.3	90.0
<b>Total</b>	<b>103.7</b>	<b>322.0</b>

## 21 SHAREHOLDERS' EQUITY

Since the founding of Autoneum Holding Ltd on December 2, 2010 the number of registered shares has remained unchanged at 4 672 363, each with a nominal value of CHF 0.05 per share. The share capital amounts to CHF 233 618 and is composed as follows:

		31.12.2021	31.12.2020
Shares outstanding	Number of shares	4 646 570	4 638 560
Treasury shares	Number of shares	25 793	33 803
<b>Total shares issued</b>	<b>Number of shares</b>	<b>4 672 363</b>	<b>4 672 363</b>
Nominal value per share	CHF	0.05	0.05
<b>Share capital</b>	<b>CHF</b>	<b>233 618</b>	<b>233 618</b>

## SHARE CAPITAL

The holders of shares are entitled to receive dividends and are entitled to one vote per share at general meetings of the Company.

## CONDITIONAL SHARE CAPITAL

For issuing convertible bonds, warranty bonds, and for granting shareholder options, the share capital can be increased by a maximum of 700 000 fully paid-up registered shares with a par value of CHF 0.05 up to a maximum value of CHF 35 000. Furthermore, for the issuance of shares to employees of subsidiaries, the share capital can be increased by a maximum of 250 000 fully paid-up registered shares with a par value of CHF 0.05 up to a maximum value of CHF 12 500.

## TREASURY SHARES

The following transactions with treasury shares were performed during the financial year:

	2021 in shares	2021 in CHF million	2020 in shares	2020 in CHF million
Treasury shares at January 1	33 803	3.5	25 783	3.6
Purchase of treasury shares	5	-	21 000	1.6
Transfer of treasury shares	-8 015	-0.8	-12 980	-1.7
<b>Treasury shares at December 31</b>	<b>25 793</b>	<b>2.6</b>	<b>33 803</b>	<b>3.5</b>

## CAPITAL RESERVE

The capital reserve originates from the contribution of the Autoneum companies to the Group in the course of the separation in 2011.

## FAIR VALUE RESERVE

The fair value reserve contains changes in the fair value of listed non-consolidated investments. The reserve will be reclassified to retained earnings at disposal.

## RETAINED EARNINGS

Retained earnings include accumulated earnings since the Group was established in December 2010.

## CURRENCY TRANSLATION ADJUSTMENT

The currency translation adjustment comprises all foreign exchange differences arising from the translation of the financial statements of foreign entities included in the consolidated financial statements.

## CHANGES RESULTING FROM OTHER COMPREHENSIVE INCOME

The table below discloses changes resulting from other comprehensive income to each component of equity:

### OTHER COMPREHENSIVE INCOME 2021

CHF million	Fair value reserve	Retained earnings	Currency transl. adjustm.	Total	Attributable to non-controlling interests	Total equity
Currency translation adjustment	-	-	7.1	7.1	1.7	8.8
Inflation adjustment	-	1.8	-	1.8	-	1.8
<b>Total items that will be reclassified to income statement</b>	<b>-</b>	<b>1.8</b>	<b>7.1</b>	<b>8.9</b>	<b>1.7</b>	<b>10.6</b>
Remeasurement of defined benefit pension plans	-	28.7	-	28.7	-	28.7
Change in fair value of equity investments (FVOCI)	-10.7	-	-	-10.7	-	-10.7
Income taxes	-	-3.2	-	-3.2	-	-3.2
<b>Total items that will not be reclassified to income statement</b>	<b>-10.7</b>	<b>25.5</b>	<b>-</b>	<b>14.8</b>	<b>-</b>	<b>14.9</b>
<b>Total</b>	<b>-10.7</b>	<b>27.3</b>	<b>7.1</b>	<b>23.7</b>	<b>1.8</b>	<b>25.5</b>

### OTHER COMPREHENSIVE INCOME 2020

CHF million	Fair value reserve	Retained earnings	Currency transl. adjustm.	Total	Attributable to non-controlling interests	Total equity
Currency translation adjustment	-	-	-48.3	-48.3	-10.3	-58.6
Inflation adjustment	-	1.3	-	1.3	-	1.3
<b>Total items that will be reclassified to income statement</b>	<b>-</b>	<b>1.3</b>	<b>-48.3</b>	<b>-47.1</b>	<b>-10.3</b>	<b>-57.4</b>
Remeasurement of defined benefit pension plans	-	3.8	-	3.8	-	3.8
Change in fair value of equity investments (FVOCI)	-9.6	-	-	-9.6	-	-9.6
Income taxes	-	-0.8	-	-0.8	-	-0.8
<b>Total items that will not be reclassified to income statement</b>	<b>-9.6</b>	<b>3.0</b>	<b>-</b>	<b>-6.6</b>	<b>-</b>	<b>-6.6</b>
<b>Total</b>	<b>-9.6</b>	<b>4.3</b>	<b>-48.3</b>	<b>-53.7</b>	<b>-10.3</b>	<b>-63.9</b>

## 22 NON-CONTROLLING INTERESTS

The non-controlling interests derive from entities that are controlled by the Group (subsidiaries), but Autoneum has not all of the entities' capital rights. Those subsidiaries are listed in note 35 on page 110. Due to disclosure restrictions in shareholder agreements, information on significant non-controlling interests is only disclosed on an aggregated level. The table below sets out aggregated financial information of the subsidiaries with non-controlling interests:

CHF million	31.12.2021	31.12.2020
Non-current assets	218.8	236.3
Current assets	199.7	211.5
Non-current liabilities	-87.1	-93.8
Current liabilities	-138.4	-140.3
<b>Net assets</b>	<b>193.0</b>	<b>213.6</b>
Attributable to non-controlling interests	93.8	103.9
	<b>2021</b>	<b>2020</b>
Revenue	508.2	528.2
Net profit	17.7	32.5
Other comprehensive income	3.4	-20.6
<b>Total comprehensive income</b>	<b>21.1</b>	<b>12.0</b>
Attributable to non-controlling interests	9.1	4.3
Cash flows from operating activities	34.9	67.3
Cash flows used in investing activities	-9.2	-15.5
Cash flows (used in)/from financing activities	-46.8	0.4
<b>Change in cash and cash equivalents</b>	<b>-21.0</b>	<b>52.3</b>

## 23 BORROWINGS

CHF million	Bonds	Bank debts	Lease liabilities	Other borrowings	Total
Borrowings at January 1, 2021	174.7	363.2	292.1	55.8	885.8
Proceeds	-	5.7	-	-	5.7
Repayment	-	-206.8	-28.1	-40.2	-275.1
<b>Cash flows</b>	<b>-</b>	<b>-201.2</b>	<b>-28.1</b>	<b>-40.2</b>	<b>-269.5</b>
Addition	-	-	19.1	-	19.1
Increase in present value	0.1	0.8	-	-	0.9
Modification	-	-	-3.1	-	-3.1
Currency translation adjustment	-	1.5	2.4	0.3	4.3
<b>Non-cash changes</b>	<b>0.1</b>	<b>2.3</b>	<b>18.4</b>	<b>0.3</b>	<b>21.1</b>
<b>Borrowings at December 31, 2021</b>	<b>174.8</b>	<b>164.4</b>	<b>282.3</b>	<b>15.9</b>	<b>637.4</b>
Thereof non-current	174.8	0.6	247.4	10.9	433.6
Thereof current	-	163.8	35.0	5.0	203.8

CHF million	Bonds	Bank debts	Lease liabilities	Other borrowings	Total
Borrowings at January 1, 2020	174.6	210.6	324.6	48.5	758.3
Proceeds	-	330.9	-	9.4	340.2
Repayment	-	-175.9	-28.9	-1.3	-206.1
<b>Cash flows</b>	<b>-</b>	<b>154.9</b>	<b>-28.9</b>	<b>8.1</b>	<b>134.1</b>
Addition	-	-	11.9	-	11.9
Increase in present value	0.1	0.6	-	-	0.7
Modification	-	-	-0.1	-	-0.1
Currency translation adjustment	-	-2.9	-15.4	-0.8	-19.1
<b>Non-cash changes</b>	<b>0.1</b>	<b>-2.3</b>	<b>-3.7</b>	<b>-0.8</b>	<b>-6.7</b>
<b>Borrowings at December 31, 2020</b>	<b>174.7</b>	<b>363.2</b>	<b>292.1</b>	<b>55.8</b>	<b>885.8</b>
Thereof non-current	174.7	304.5	257.5	50.8	787.5
Thereof current	-	58.7	34.6	5.0	98.3

On July 4, 2016 Autoneum Holding Ltd issued a fixed-rate bond with a nominal value of CHF 75.0 million, which is listed on the SIX Swiss Exchange (AUH16, ISIN: CH0326213904). The bond carries a coupon rate of 1.125% and has a term of seven years with a final maturity on July 4, 2023. On December 31, 2021 the market value of the bond was CHF 75.3 million (December 31, 2020: CHF 74.4 million).

On December 8, 2017 Autoneum Holding Ltd issued a fixed-rate bond with a nominal value of CHF 100.0 million, which is listed on the SIX Swiss Exchange (AUT17, ISIN: CH0373476032). The bond carries a coupon rate of 1.125% and has a term of eight years with a final maturity on December 8, 2025. On December 31, 2021 the market value of the bond was CHF 99.7 million (December 31, 2020: CHF 91.5 million).



Autoneum maintains a long-term credit agreement with a banking syndicate in the amount of CHF 350.0 million, whereof CHF 131.4 million was drawn at year-end (December 31, 2020: CHF 305.0 million). The line of credit may partly be used as a guarantee facility. On December 7, 2017 the long-term credit agreement was amended and the final maturity date extended from December 31, 2019 to December 31, 2022. On May 7, 2019 the existing long-term credit agreement was increased from CHF 150.0 million to CHF 350.0 million with an unchanged final maturity date. On June 29, 2020 the existing long-term credit agreement was amended, among other things, with regards to the financial covenants. The final maturity date remained unchanged at December 31, 2022. The interest rate is based on the SARON rate plus an applicable margin, which is determined based on the ratio of net debt to EBITDA. An adjusted ratio of net debt to EBITDA represents the customary financial covenant of that agreement. Compliance with financial covenants is checked on a regular basis and reported to the banking syndicate. In the fiscal years 2021 and 2020, the financial covenants were met at all times.

In addition to the aforementioned bonds and the long-term credit agreement, local credit limits and borrowings with individual customary market conditions exist in several countries.

In 2019, two shareholders of Autoneum Holding Ltd provided subordinated shareholder loans. In 2020, it was agreed to extend the term of the subordinated shareholder loans in alignment with the credit agreement with the bank syndicate. In the reporting period, the subordinated shareholder loans were repaid. Further information is disclosed in note 30 on page 108.

The borrowings are denominated in the following currencies:

CHF million	31.12.2021	31.12.2020
CHF	338.5	574.6
USD	175.0	128.8
EUR	54.2	55.0
CNY	41.2	43.4
Other	28.5	83.9
<b>Total</b>	<b>637.4</b>	<b>885.8</b>

## 24 EMPLOYEE BENEFITS

CHF million	31.12.2021	31.12.2020
Post-employment benefit liabilities	17.5	32.4
Other long-term employee benefits	5.5	4.8
<b>Employee benefit liabilities</b>	<b>22.9</b>	<b>37.2</b>

In the reporting period, total expenses for pensions in the amount of CHF 12.6 million have been recognized as employee expenses and interest expenses (2020: CHF 8.5 million).

Some employees participate in defined contribution plans whose insurance benefit results solely from the paid contributions and the return on investment on the plan asset. The other employees participate in defined benefit plans that are based upon direct benefits of the Autoneum Group.

## DEFINED CONTRIBUTION PLANS

The expenses for defined contribution plans totaled CHF 5.6 million in the current reporting period (2020: CHF 5.6 million).

## DEFINED BENEFIT PLANS

Autoneum maintains defined benefit pension plans in Switzerland, the USA, Canada, Great Britain, France and the Netherlands. The most significant pension plans are those in Switzerland and the USA. Those plans sum up to 76.3% (December 31, 2020: 76.7%) of the Group's defined benefit obligation and 78.0% (December 31, 2020: 79.1%) of the Group's plan assets.

The status of the defined benefit plans at year-end was as follows:

CHF million	2021	2020
<b>Switzerland</b>		
Fair value of plan assets at December 31	146.7	141.3
Present value of defined benefit obligation at December 31	-137.7	-147.6
<b>Surplus/(deficit) at December 31</b>	<b>9.0</b>	<b>-6.3</b>
<b>USA</b>		
Fair value of plan assets at December 31	34.5	31.8
Present value of defined benefit obligation at December 31	-41.5	-42.7
<b>Deficit at December 31</b>	<b>-7.0</b>	<b>-10.8</b>
<b>Other countries</b>		
Fair value of plan assets at December 31	51.0	45.9
Present value of defined benefit obligation at December 31	-55.7	-57.9
<b>Deficit at December 31</b>	<b>-4.6</b>	<b>-12.1</b>
<b>Total deficit at December 31</b>	<b>-2.6</b>	<b>-29.2</b>
Recognized in the balance sheet		
as employee benefit assets	14.9	3.2
as employee benefit liabilities	17.5	32.4

## SWISS PENSION PLANS

Pension plans are governed by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). The Group's pension plans are administered by separate legal foundations, which are funded by regular employee and company contributions. Plan participants are insured against the financial consequences of old age, disability and death. The most senior governing body of the pension plan is the Board of Trustees. The Board of Trustees is responsible for the investment of the plan assets. All investment decisions made by the Board of Trustees need to conform to the guidelines set out in a long-term investment strategy. This strategy is based on legal requirements, expected future contributions and expected future obligations and is reassessed at least once a year. All governing and administration bodies have an obligation to act in the interests of the plan participants. The final benefit is contribution-based with certain minimum guarantees. Due to these minimum guarantees, the Swiss plans are treated as defined benefit plans for the purposes of these IFRS financial statements, although they have many characteristics of defined contribution plans. Retirement benefits are based on the accumulated savings capital, which can either be drawn as a lifelong pension or as a lump-sum payment. The pension is calculated by multiplying the balance of the savings capital with the applicable conversion rate. The plan is exposed to actuarial risks, such as longevity risk (underlying mortality table BVG 2020), interest rate risk and market (investment) risk. In case of underfunding, the Board of Trustees is required to take the necessary measures to ensure that full funding can be expected to be restored within a reasonable period. The measures may include increasing employee and company contributions, lowering the interest rate on retirement account balances or reducing prospective benefits.

## US PENSION PLANS

Autoneum maintains five defined benefit pension plans in the USA. Four of those plans are funded and one plan is unfunded. The defined benefit plans in the USA have been closed to new members. New employees in the USA join defined contribution plans. In addition, Autoneum participates in one multi-employer defined benefit plan subject to a collective bargaining agreement. If a participating employer stops contributing to the plan, the unfunded obligation of the plan may be borne by the remaining participating employers. If Autoneum stops participating in the plan, Autoneum may be required to pay a withdrawal liability, based on the underfunded status of the plan. As sufficient information is not available to use defined benefit accounting, Autoneum accounts for this multi-employer defined benefit plan as if it were a defined contribution plan. Although this plan is in an underfunded status, Autoneum currently has no obligation. The defined benefit plans are subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), which defines minimum standards such as the statutory minimum funded status.

## PENSION PLANS IN OTHER COUNTRIES

Autoneum maintains defined benefit plans in Canada, Great Britain, France and in the Netherlands. The pension plan in Canada is closed to new members. The plan is funded, and the majority of the contributions are paid by the employer. The pension plan in Great Britain is funded and has been closed to new members. New employees join a defined contribution plan. The plan in France is unfunded and settled by the employer while the plan in the Netherlands is funded and has been closed to new members.

The movement in the defined benefit obligation for all pension plans over the year was as follows:

CHF million	2021	2020
Defined benefit obligation at January 1	248.2	253.5
Current service cost	6.2	6.7
Past service cost from plan curtailments	-	-4.8
Interest expenses	2.5	3.0
Remeasurement gains and losses	-9.6	10.3
Employee contributions	2.7	3.1
Benefits paid	-18.0	-15.9
Currency translation adjustment	2.8	-7.6
<b>Defined benefit obligation at December 31</b>	<b>234.8</b>	<b>248.2</b>

In 2020, a material change in the plan participants led to a plan curtailment under IAS 19.105 for the Swiss plans. The resulting past service cost was recognized in profit and loss as an income of CHF 4.8 million.

The movement in the fair value of plan assets for all pension plans over the year was as follows:

CHF million	2021	2020
Fair value of plan assets at January 1	219.0	214.3
Interest income	1.7	1.9
Return on plan assets excluding interest income	19.1	14.1
Employer contributions	4.8	7.6
Employee contributions	2.7	3.1
Benefits paid	-17.7	-15.9
Currency translation adjustment	2.6	-6.1
<b>Fair value of plan assets at December 31</b>	<b>232.3</b>	<b>219.0</b>

The major categories of plan assets were as follows:

CHF million	31.12.2021	31.12.2020
Equity	121.4	109.7
Debt	53.9	57.8
Real estate	39.2	39.0
Cash	12.7	8.7
Other	4.9	3.8
<b>Total</b>	<b>232.3</b>	<b>219.0</b>

All equity and debt instruments are listed on a stock exchange.

The amounts recognized in profit or loss were as follows:

CHF million	2021	2020
Current service cost	-6.2	-6.7
Past service cost from plan curtailments	-	4.8
Net interest expenses	-0.8	-1.0
<b>Pension expenses for defined benefit plans</b>	<b>-7.0</b>	<b>-2.9</b>
Recognized in the income statement:		
as employee expenses	-6.2	-1.8
as interest expenses	-0.8	-1.0

The amounts recognized in profit or loss result from plans in the following regions:

CHF million	2021	2020
Expenses from defined benefit plans in Switzerland	-5.0	-0.6
Expenses from defined benefit plans in the USA	-1.0	-1.2
Expenses from defined benefit plans in other countries	-1.1	-1.1
<b>Total</b>	<b>-7.0</b>	<b>-2.9</b>

The expected employer contributions for the Group's defined benefit pension plans for 2022 amount to CHF 4.6 million. The expected benefit payments for 2022 are CHF 5.4 million.

The effect from remeasurement of the defined benefit pension plans recognized in other comprehensive income is as follows:

CHF million	2021	2020
Remeasurement gains and losses		
from changes in demographic assumptions	6.0	-2.3
from changes in financial assumptions	6.6	-3.0
from experience adjustment	-3.0	-5.0
Return on plan assets excluding interest income	19.1	14.1
<b>Total</b>	<b>28.7</b>	<b>3.8</b>

The table below discloses the main actuarial assumptions at year-end:

Weighted average of all pension plans		31.12.2021	31.12.2020
Discount rate	in %	1.2	1.0
Expected future salary growth	in %	0.7	0.7
Expected future pension growth	in %	0.1	0.1
Life expectancy for females at age of 65	in years	23.9	24.1
Life expectancy for males at age of 65	in years	21.9	22.0

At December 31, 2021 the weighted average duration of the defined benefit obligation was 15.6 years (December 31, 2020: 16.6 years).

The table below shows the results of the sensitivity analysis. It was analyzed how expected changes in the discount rate, in future salary and pension growth, and in the life expectancy would impact the defined benefit obligation. Changes in these parameters would have the following effect on the defined benefit obligation:

CHF million		31.12.2021	31.12.2020
Increase in discount rate by 0.25 percentage point		-8.9	-9.8
Decrease in discount rate by 0.25 percentage point		9.5	10.5
Increase in future salary growth by 0.5 percentage point		2.4	2.9
Decrease in future salary growth by 0.5 percentage point		-2.4	-2.9
Increase in future pension increase by 0.25 percentage point		3.4	3.8
Decrease in future pension increase by 0.25 percentage point		-3.3	-3.6
Increase in life expectancy by one year		6.9	7.5
Decrease in life expectancy by one year		-6.2	-6.7

## 25 PROVISIONS

CHF million	Guarantee and warranty	Litigation and tax risk	Environmental	Other	Total
Provisions at January 1, 2021	3.5	7.7	7.0	16.1	34.3
Addition	-	1.1	0.1	3.8	5.1
Utilization	-0.6	-1.9	-0.1	-6.3	-8.9
Release	-2.1	-1.3	-2.9	-5.5	-11.7
Currency translation adjustment	-	-0.1	-0.2	-0.2	-0.5
<b>Provisions at December 31, 2021</b>	<b>0.8</b>	<b>5.5</b>	<b>3.9</b>	<b>8.0</b>	<b>18.2</b>
Thereof non-current	0.4	0.9	3.9	2.5	7.7
Thereof current	0.4	4.6	-	5.5	10.5

Guarantee and warranty provisions are related to the production and supply of goods or services and are based on experience.



Litigation and non-income tax risk provisions comprise provisions for expected costs resulting from investigations and proceedings of government agencies, provisions for court cases, such as claims brought by workers for health- or accident-related incidents, and provisions for non-income tax risk. The majority of litigation and non-income tax risk provisions are expected to be used within the next year.

Environmental provisions contain the estimated costs for the clean-up of contaminated sites due to past industrial operations. The majority of provisions are from Group companies within Business Group Europe. In the reporting period, the Group released unused environmental provisions due to disposal of a contaminated site and a confirmed insurance coverage. Non-current environmental provisions are expected to be used mainly over the next five to ten years.

Other provisions are made for contracts where the unavoidable costs to fulfill the obligation are greater than the expected economic benefits, as well as for other constructive or legal liabilities of Group companies. The net decrease of other provisions is mainly caused by successful negotiations. The majority of other non-current provisions are expected to be used in two to three years.

## 26 OTHER LIABILITIES

CHF million	31.12.2021	31.12.2020
Advance payments from customers	6.0	5.6
Deferred income	0.7	0.3
Other payables	1.0	1.2
<b>Total non-current portion</b>	<b>7.7</b>	<b>7.2</b>
Accrued expenses	92.7	83.3
Advance payments from customers	42.6	59.6
Non-income tax payables	11.0	15.4
Accrued holidays and overtime	9.1	11.3
Deferred income	1.9	2.1
Fair value of derivative financial instruments	0.4	1.6
Other payables	12.5	12.0
<b>Total current portion</b>	<b>170.1</b>	<b>185.2</b>

Advance payments from customers qualify as contract liabilities and stem primarily from the sale of tools to the OEM which could already be invoiced, but the final acceptance from the OEM is still missing and consequently revenue is not yet recognized. The current portion of advance payments from customers is usually recognized as revenue within the next twelve months. No material amount of revenue was recognized in 2021 or in 2020 from performance obligations that were satisfied in previous periods.

## 27 OTHER COMMITMENTS

At year-end, open commitments for investments in tangible and intangible assets amounted to CHF 5.6 million (December 31, 2020: CHF 5.0 million).

## 28 CONTINGENT LIABILITIES

There are no single matters pending that Autoneum expects to be material in relation to the Group's business, financial position or results of operations.

## 29 FINANCIAL INSTRUMENTS

The following tables summarize all financial instruments classified by categories according to IFRS 9:

CHF million	31.12.2021	31.12.2020
Fair value of derivative financial instruments <sup>1</sup>	1.4	1.7
<b>Total financial assets at fair value through profit or loss</b>	<b>1.4</b>	<b>1.7</b>
Cash at banks	102.4	232.0
Time deposits with original maturities up to 3 months	1.3	90.0
Time deposits with original maturities between 3 and 12 months	-	0.1
Trade receivables	219.5	246.5
Other receivables	9.3	5.2
Accrued income	28.3	23.3
Loans	1.1	3.3
Other financial assets	7.4	6.7
<b>Total financial assets at amortized cost</b>	<b>369.3</b>	<b>607.1</b>
Investments in non-consolidated companies <sup>2</sup>	23.1	33.8
<b>Total financial assets at fair value through other comprehensive income</b>	<b>23.1</b>	<b>33.8</b>
<b>Total</b>	<b>393.8</b>	<b>642.6</b>

CHF million	31.12.2021	31.12.2020
Borrowings	637.4	885.8
Trade payables	160.5	203.7
Accrued expenses	92.7	83.3
Other payables	13.4	13.2
<b>Total financial liabilities at amortized cost</b>	<b>904.0</b>	<b>1 186.1</b>
Fair value of derivative financial instruments <sup>1</sup>	0.4	1.6
<b>Total financial liabilities at fair value through profit or loss</b>	<b>0.4</b>	<b>1.6</b>
<b>Total</b>	<b>904.4</b>	<b>1 187.6</b>

<sup>1</sup> Measured at fair values that are calculated based on observable market data (level 2).

<sup>2</sup> Measured at fair values that are based on quoted prices in active markets (level 1).

Borrowings comprise two bonds with a total net book value of CHF 174.8 million (December 31, 2020: CHF 174.7 million) and a total fair value of CHF 175.0 million (December 31, 2020: CHF 165.9 million) based on quoted prices in active markets. The fair value of the discounted contractual future cash flows is equal to the carrying amount of the variable interest bank borrowings. Refer to note 23 on page 100 for further information. The book values of other financial instruments measured at amortized cost correspond to their fair values.

### 30 RELATED PARTIES

Related parties are members of the Board of Directors and the Executive Board or close members of that person's family, pension funds, associated companies as well as companies controlled by significant shareholders. At December 31, 2021 Artemis Beteiligungen I Ltd, Hergiswil, Switzerland, and Michael Pieper, Hergiswil, Switzerland, held 22.47% of the shares of the Company (at December 31, 2020 Artemis Beteiligungen I Ltd, Centinox Holding AG and Michael Pieper held 21.30% of the shares of the Company). At December 31, 2020 PCS Holding Ltd, Warth-Weiningen, Switzerland, and Peter Spuhler, Weiningen, Switzerland, held 16.17% of the shares of the Company. Peter Spuhler, Weiningen, did not stand for reelection as a member of the Board of Directors in 2021.

In 2019, Artemis Beteiligungen I Ltd and PCS Holding Ltd granted a subordinated loan of CHF 20.0 million each and with an interest rate of 4.0%. As the agreed financial ratio has been reached in two consecutive financial quarters, the two subordinated shareholder loans of CHF 20.0 million each were repaid in 2021.

The pension fund of an Autoneum Group entity granted a loan to the Company. The loan bears an interest rate of 0.35% (December 31, 2020: 1.5%) and is due within six days upon cancellation of the agreement by either the lender or the borrower.

The total remuneration to the Board of Directors and to the Group Executive Board was as follows:

CHF million	2021	2020
Short-term benefits	4.7	4.0
Share-based payments	2.2	0.8
Post-employment benefits	0.1	0.1
<b>Total</b>	<b>7.0</b>	<b>5.0</b>

The compensation of the Board of Directors and of the Group Executive Board is disclosed in the Remuneration Report on pages 127–131.

Year-end balances with related parties were as follows:

CHF million	31.12.2021	31.12.2020
Current borrowings due to pension funds	5.0	5.0
Bonus accruals for Group Executive Board	1.9	–
Non-current borrowings due to shareholders	–	40.0
<b>Total</b>	<b>6.9</b>	<b>45.0</b>

### 31 NET DEBT

CHF million	31.12.2021	31.12.2020
Cash and cash equivalents	–103.7	–322.0
Bonds	174.8	174.7
Bank debts	164.4	363.2
Other borrowings	15.9	55.8
<b>Net debt excl. lease liabilities</b>	<b>251.4</b>	<b>271.7</b>
Lease liabilities	282.3	292.1
<b>Net debt</b>	<b>533.7</b>	<b>563.7</b>

### 32 EXCHANGE RATES FOR CURRENCY TRANSLATION

CHF	ISO code	Units	Average rate 2021	Average rate 2020	Year-end rate 2021	Year-end rate 2020
Argentine peso	ARS	100	0.97	1.35	0.89	1.05
Brazilian real	BRL	1	0.17	0.19	0.16	0.17
Canadian dollar	CAD	1	0.73	0.70	0.72	0.69
Chinese yuan	CNY	100	14.14	13.59	14.35	13.55
Czech koruna	CZK	100	4.20	4.06	4.16	4.14
Euro	EUR	1	1.08	1.07	1.04	1.09
Pound sterling	GBP	1	1.25	1.21	1.23	1.20
Indian rupee	INR	100	1.23	1.27	1.23	1.21
Mexican peso	MXN	100	4.48	4.42	4.46	4.45
Polish zloty	PLN	100	23.61	24.09	22.55	23.83
United States dollar	USD	1	0.91	0.94	0.91	0.88

### 33 EVENTS AFTER BALANCE SHEET DATE

There were no events between December 31, 2021 and March 1, 2022 which would necessitate adjustments to the book value of the Group's assets or liabilities, or which require additional disclosure in the consolidated financial statements.

### 34 PROPOSAL OF THE BOARD OF DIRECTORS

For the financial year 2021 the Board of Directors proposes to the Annual General Meeting on March 23, 2022 a dividend of CHF 1.50 per share entitled to dividends. In 2021, no dividend was distributed to the shareholders of Autoneum Holding Ltd.

## 35 SUBSIDIARIES, ASSOCIATED COMPANIES AND NON-CONSOLIDATED INVESTMENTS

			Nominal capital in millions	Subsidiaries	Associated companies	Non-cons. investments	Voting & capital rights	Research & technology	Application developm.	Production & supply	Service & financing
<b>Switzerland</b>	Autoneum Holding Ltd, Winterthur	CHF	0.2	•			100%				•
	Autoneum International Ltd, Winterthur	CHF	7.0	•			100%				•
	Autoneum Management Ltd, Winterthur	CHF	1.3	•			100%	•			•
	Autoneum Switzerland Ltd, Sevelen	CHF	0.3	•			100%		•	•	
<b>Argentina</b>	Autoneum Argentina S.A., Córdoba	ARS	22.5	•			100%				•
<b>Belgium</b>	Autoneum Belgium NV, Genk	EUR	8.0	•			100%				•
<b>Brazil</b>	Autoneum Brasil Têxteis Acústicos Ltda., São Paulo	BRL	201.6	•			100%		•	•	
<b>Canada</b>	Autoneum Canada Ltd., Tillsonburg	CAD	-	•			100%				•
<b>China</b>	Autoneum (Chongqing) Sound-Proof Parts Co., Ltd., Chongqing	CNY	49.3	•			100%				•
	Autoneum (Shenyang) Sound-Proof Parts Co., Ltd., Shenyang	CNY	49.2	•			100%				•
	Autoneum (Shanghai) Management Co., Ltd., Shanghai	CNY	13.2	•			100%		•	•	
	Autoneum (Yantai) Co., Ltd., Yantai	CNY	34.5	•			100%				•
	Autoneum (Pinghu) Co., Ltd., Pinghu	CNY	144.9	•			100%				•
	Autoneum (Tianjin) Co., Ltd., Tianjin	CNY	17.0	•			100%				•
	Autoneum Nittoku (Guangzhou) Sound-Proof Co., Ltd., Guangzhou	CNY	75.8	•				51%			•
	Tianjin Autoneum Nittoku Sound-Proof Co., Ltd., Tianjin	CNY	47.2	•				51%			•
	Wuhan Nittoku Autoneum Sound-Proof Co., Ltd., Wuhan	CNY	89.6	•				25%			•
	Wuhan Nittoku Autoneum Auto Parts Co., Ltd., Wuhan	CNY	81.0	•				25%			•
<b>Czech Republic</b>	Autoneum CZ s.r.o., Choceň	CZK	206.2	•			100%				•
<b>France</b>	Autoneum Holding France SAS, Lyon	EUR	39.8	•			100%				•
	Autoneum France SAS, Aubergenville	EUR	8.0	•			100%		•	•	
<b>Germany</b>	Autoneum Germany GmbH, Rossdorf	EUR	11.2	•			100%				•
<b>Great Britain</b>	Autoneum Great Britain Ltd., Stoke-on-Trent	GBP	57.0	•			100%				•
<b>Hungary</b>	Autoneum Hungary Ltd., Komárom	EUR	-	•			100%				•
<b>India</b>	Autoneum India Pvt. Ltd., New Delhi	INR	571.4	•			100%				•
	Autoneum Nittoku Sound Proof Products India Pvt. Ltd., Chennai	INR	220.0	•				51%			•
<b>Indonesia</b>	PT Tuffindo Nittoku Autoneum, Jakarta	IDR	162 666.0		•		9%				•
<b>Italy</b>	Porfima Uno S.r.l., Torino	EUR	-	•			100%				•
<b>Japan</b>	Nihon Tokushu Toryo Co. Ltd., Tokyo	JPY	4 753.0		•		13%	•	•	•	•
	ATN Auto Acoustics Inc., Kamioguchi	JPY	100.0	•			25%		•		
<b>Korea</b>	Autoneum Korea Ltd., Incheon	KRW	264.0	•			100%				•
<b>Mexico</b>	Autoneum Mexico, S. de R.L. de C.V., Hermosillo	MXN	-	•			100%				•
	Autoneum Mexico Operations, S.A. de C.V., San Luis Potosí	MXN	803.9	•			100%				•
	Autoneum Mexico Servicios, S.A. de C.V., San Luis Potosí	MXN	3.1	•			100%				•
	UGN de Mexico, S. de R.L. de C.V., Silao	MXN	0.1	•			50%				•
	Servicios de Acoustical Solutions, S. de R.L. de C.V., Silao	MXN	0.1	•			50%				•
<b>Poland</b>	Autoneum Poland Sp.z.o.o., Katowice	PLN	20.8	•			100%		•	•	
<b>Portugal</b>	Autoneum Portugal Lda., Setúbal	EUR	0.6	•			87%				•
<b>Russia</b>	Autoneum Rus LLC, Ryazan	RUB	0.8	•			100%				•
<b>South Africa</b>	Autoneum Feltex (Pty) Ltd., Durban	ZAR	-	•			51%				•
<b>Spain</b>	Autoneum Spain S.A.U., Terrassa	EUR	5.8	•			100%				•
<b>Thailand</b>	SRN Sound Proof Co., Ltd., Chonburi	THB	100.0	•			30%				•
	Summit & Autoneum (Thailand) Co., Ltd., Chonburi	THB	16.0	•			51% <sup>1</sup>				•
<b>Turkey</b>	Autoneum Erkurt Otomotiv A.S., Bursa	TRY	2.5	•			51%				•
<b>USA</b>	Autoneum America Corporation, Novi	USD	-	•			100%				•
	Autoneum North America, Inc., Novi	USD	-	•			100%		•	•	
	UGN Inc., Tinley Park	USD	-	•			50%		•	•	

<sup>1</sup> Autoneum has 49% of the capital rights.





# Statutory Auditor's Report

To the General Meeting of Autoneum Holding Ltd, Winterthur

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Autoneum Holding Ltd and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2021 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements (pages 64 to 110) give a true and fair view of the consolidated financial position of the Group as at December 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

### Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. 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 Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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.

### Key Audit Matters



Revenue Recognition



## Revenue Recognition

### Key Audit Matter

Total consolidated revenue of the financial year 2021 amounted to CHF 1 700.4 million (2020: CHF 1 740.6 million).

Revenue is a key performance indicator and therefore in the focus of internal and external stakeholders. The Group recognizes revenue when it transfers control over a good or service to its customers.

The majority of the Group's revenue relates to the sale of serial parts to Original Equipment Manufacturers (OEM) over a production period of usually five to eight years. Revenue from the sale of the serial parts is recognized at the point in time when control of the parts is transferred to the OEM in accordance with the agreed delivery terms.

There is a risk that revenue may be recognized in the wrong accounting period.

### Our response

Our audit procedures included, amongst others, inquiring of management regarding significant new contracts and their assessment of existing contracts.

We gained an understanding of the internal controls and processes with respect to revenue recognition and performed testing of key controls. This included walkthroughs and where appropriate testing operating effectiveness of internal controls.

We took a sample of transactions before and after the year-end and agreed the details of these transactions to underlying documentation such as the contractual terms, to assess that revenue has been recognized in the appropriate period and in the appropriate amount.

Furthermore, we assessed the Group's disclosures relating to revenue recognition.

### For further information on revenue recognition refer to the following:

- Significant accounting policies, Note 1.20 Revenue Recognition

## Other Information in the Annual Report

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

Our opinion on the consolidated financial statements does not cover the other information in the annual report 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 in the annual report 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.

## Responsibility of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS 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, ISAs and Swiss Auditing Standards 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, ISAs and Swiss Auditing Standards, we exercise professional judgment and maintain professional skepticism 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

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

KPMG AG



Reto Benz  
Licensed Audit Expert  
Auditor in Charge



Kathrin Schünke  
Licensed Audit Expert

Zurich, March 1, 2022

# Income statement of Autoneum Holding Ltd

CHF million	Notes	2021	2020
<b>Income</b>			
Dividend income		56.7	68.3
Financial income	(2)	13.5	7.3
License income		3.5	3.5
<b>Total income</b>		<b>73.8</b>	<b>79.1</b>
<b>Expenses</b>			
Valuation adjustments on investments and loans	(3)	-2.6	-2.8
Financial expenses	(4)	-7.9	-46.4
Administration expenses		-8.2	-5.4
Taxes		-0.2	-0.3
<b>Total expenses</b>		<b>-18.9</b>	<b>-54.9</b>
<b>Net profit</b>		<b>54.9</b>	<b>24.3</b>

# Balance sheet of Autoneum Holding Ltd

CHF million	Notes	31.12.2021	31.12.2020
<b>Assets</b>			
Cash and cash equivalents		0.3	189.9
Loans and financial receivables	(6)	122.8	69.8
Accrued income and deferred expenses	(7)	6.3	7.8
<b>Current assets</b>		<b>129.4</b>	<b>267.6</b>
Loans and financial receivables	(6)	295.0	398.5
Investments	(8)	467.4	422.5
<b>Non-current assets</b>		<b>762.4</b>	<b>820.9</b>
<b>Total assets</b>		<b>891.8</b>	<b>1 088.5</b>
<b>Liabilities and shareholders' equity</b>			
Borrowings	(9)	156.8	63.3
Other liabilities	(10)	0.1	4.2
Deferred income and accrued expenses	(11)	7.3	4.1
<b>Current liabilities</b>		<b>164.2</b>	<b>71.6</b>
Borrowings	(9)	175.0	520.0
<b>Non-current liabilities</b>		<b>175.0</b>	<b>520.0</b>
<b>Liabilities</b>		<b>339.2</b>	<b>591.6</b>
Share capital	(12)	0.2	0.2
Legal capital reserves	(12)	350.0	350.0
Retained earnings			
Balance brought forward		150.2	125.9
Net profit		54.9	24.3
Treasury shares	(12)	-2.6	-3.5
<b>Shareholders' equity</b>		<b>552.6</b>	<b>496.9</b>
<b>Total liabilities and shareholders' equity</b>		<b>891.8</b>	<b>1 088.5</b>

# Notes to the financial statements of Autoneum Holding Ltd

## 1 PRINCIPLES

### GENERAL

Autoneum Holding Ltd was incorporated on December 2, 2010 as a Swiss corporation domiciled in Winterthur. The Company does not have any employees.

The financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32<sup>nd</sup> title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

### LOANS AND FINANCIAL RECEIVABLES

Loans granted in foreign currencies are translated at the rate at the balance sheet date, whereby unrealized losses are recorded but unrealized gains are not recognized. In the case where the currency effect of loans is hedged, both unrealized losses and gains are recognized.

### TREASURY SHARES

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. In case of a sale, the gain or loss is recognized in the income statement as financial income or financial expenses.

### BONDS AND BANK DEBTS

Borrowings are recognized in the balance sheet at nominal value. The issue costs for the bonds and for finance agreements are recognized as accrued income and deferred expenses due from third parties and amortized on a straight-line basis over the maturity period.

### INVESTMENTS

Investments are valued using the single-item approach.

## 2 FINANCIAL INCOME

CHF million	2021	2020
Interest income	8.5	5.3
Net foreign exchange gains	4.4	-
Other financial income	0.6	2.0
<b>Total</b>	<b>13.5</b>	<b>7.3</b>



### 3 VALUATION ADJUSTMENTS ON INVESTMENTS AND LOANS

CHF million	2021	2020
Increase of valuation adjustments on investments	-5.4	-
Increase of valuation adjustments on loans due from third parties	-	-2.8
Reversal of valuation adjustments on loans due from third parties	2.8	-
<b>Total</b>	<b>-2.6</b>	<b>-2.8</b>

### 4 FINANCIAL EXPENSES

CHF million	2021	2020
Interest expenses	-7.0	-12.2
Net foreign exchange losses	-	-32.8
Other financial expenses	-0.9	-1.3
<b>Total</b>	<b>-7.9</b>	<b>-46.4</b>

### 5 EXTRAORDINARY EXPENSES

There are no extraordinary expenses in 2021 and 2020.

### 6 LOANS AND FINANCIAL RECEIVABLES

CHF million	31.12.2021	31.12.2020
Loans due from subsidiaries	107.6	52.8
Loans due from third parties	0.5	0.9
Cash pool receivables due from subsidiaries	14.6	16.2
<b>Total current portion</b>	<b>122.8</b>	<b>69.8</b>
Loans due from subsidiaries	295.0	396.5
Loans due from third parties	-	1.9
<b>Total non-current portion</b>	<b>295.0</b>	<b>398.5</b>

### 7 ACCRUED INCOME AND DEFERRED EXPENSES

CHF million	31.12.2021	31.12.2020
Accrued income and deferred expenses due from subsidiaries	3.9	4.2
Accrued income and deferred expenses due from third parties	2.4	3.6
<b>Total</b>	<b>6.3</b>	<b>7.8</b>

## 8 INVESTMENTS

The subsidiaries, associated companies and non-consolidated investments are listed in note 16 on page 121. They are owned directly or indirectly by Autoneum Holding Ltd.

## 9 BORROWINGS

CHF million	31.12.2021	31.12.2020
Cash pool liabilities due to subsidiaries	20.4	37.3
Bank debts	131.4	21.0
Loans due to related parties	5.0	5.0
<b>Total current portion</b>	<b>156.8</b>	<b>63.3</b>
Bonds	175.0	175.0
Bank debts	-	305.0
Subordinated shareholder loans	-	40.0
<b>Total non-current portion</b>	<b>175.0</b>	<b>520.0</b>

Loans due to related parties comprise a loan of CHF 5.0 million that was granted by the pension fund of an Autoneum Group entity to the Company. The loan bears an interest rate of 0.35% (December 31, 2020: 1.5%) and is due within six days upon cancellation of the agreement by either the lender or the borrower.

In 2019, the two main shareholders of Autoneum Holding Ltd have granted a subordinated loan of CHF 20.0 million each and with an interest of 4.0%. As the agreed financial ratio has been reached in two consecutive financial quarters, the two subordinated shareholder loans of CHF 20.0 million each were repaid in 2021.

On July 4, 2016 Autoneum Holding Ltd issued a fixed-rate bond with a nominal value of CHF 75.0 million, which is listed on the SIX Swiss Exchange (AUH16, ISIN: CH0326213904). The bond carries a coupon rate of 1.125% and has a term of seven years with a final maturity on July 4, 2023.

On December 8, 2017 Autoneum Holding Ltd issued a fixed-rate bond with a nominal value of CHF 100.0 million, which is listed on the SIX Swiss Exchange (AUT17, ISIN: CH0373476032). The bond carries a coupon rate of 1.125% and has a term of eight years with a final maturity on December 8, 2025.

Autoneum maintains a long-term credit agreement with a banking syndicate in the amount of CHF 350.0 million, whereof CHF 131.4 million was drawn at year-end (December 31, 2020: CHF 305.0 million). The line of credit may partly be used as a guarantee facility. On December 7, 2017 the long-term credit agreement was amended and the final maturity date extended from December 31, 2019 to December 31, 2022. On May 7, 2019 the existing long-term credit agreement was increased from CHF 150.0 million to CHF 350.0 million with an unchanged final maturity date. On June 29, 2020 the existing long-term credit agreement was amended, among other things, with regards to the financial covenants. The final maturity date remained unchanged at December 31, 2022. The interest rate is based on the SARON rate plus an applicable margin, which is determined based on the ratio of net debt to EBITDA. An adjusted ratio of net debt to EBITDA represents the customary financial covenant of that agreement. Compliance with financial covenants is checked on a regular basis and reported to the banking syndicate. In the fiscal years 2021 and 2020, the financial covenants were met at all times.

## 10 OTHER LIABILITIES

CHF million	31.12.2021	31.12.2020
Other liabilities due to subsidiaries	0.1	3.7
Other liabilities due to third parties	-	0.5
<b>Total</b>	<b>0.1</b>	<b>4.2</b>

## 11 DEFERRED INCOME AND ACCRUED EXPENSES

CHF million	31.12.2021	31.12.2020
Deferred income and accrued expenses due from subsidiaries	5.3	-
Deferred income and accrued expenses due from third parties	2.0	4.1
<b>Total</b>	<b>7.3</b>	<b>4.1</b>

## 12 SHAREHOLDERS' EQUITY

### SHARE CAPITAL

The share capital amounts to CHF 233 618.15. It is divided into 4 672 363 fully paid-up registered shares with a par value of CHF 0.05 each.

### CONDITIONAL SHARE CAPITAL

For issuing convertible bonds, warranty bonds and for granting shareholder options, the share capital can be increased by a maximum of 700 000 fully paid-up registered shares with a par value of CHF 0.05 up to a maximum value of CHF 35 000. Furthermore, for the issuance of shares to employees of subsidiaries, the share capital can be increased by a maximum of 250 000 fully paid-up registered shares with a par value of CHF 0.05 up to a maximum value of CHF 12 500.

### LEGAL CAPITAL RESERVES

These reserves include an amount of CHF 0.1 million (December 31, 2020: CHF 0.1 million) whose distribution as dividends is not subject to income taxes in Switzerland and can be effected free of Swiss withholding tax. The remaining part of the legal capital reserve does not benefit from the Swiss capital contribution principle.

### TREASURY SHARES

The following transactions with treasury shares were performed during the financial year:

	2021 in shares	2021 in CHF million	2020 in shares	2020 in CHF million
Treasury shares at January 1	33 803	3.5	25 783	3.6
Purchase of treasury shares	5	-	21 000	1.6
Sale of treasury shares	-3 375	-0.3	-3 110	-0.4
Transfer of treasury shares	-4 640	-0.5	-9 870	-1.3
<b>Treasury shares at December 31</b>	<b>25 793</b>	<b>2.6</b>	<b>33 803</b>	<b>3.5</b>

### 13 GUARANTEES AND COLLATERAL PROVIDED

Autoneum Holding Ltd has guaranteed CHF 32.8 million (December 31, 2020: CHF 33.1 million) to financial institutions for granting credit facilities to direct and indirect subsidiaries and CHF 19.3 million (December 31, 2020: CHF 3.8 million) to other third parties for securing transactions they entered into with direct and indirect subsidiaries and other third parties. No financing commitment was given in favor of a subsidiary in either 2021 or 2020.

### 14 SHARES ALLOCATED TO THE BOARD OF DIRECTORS

Part of the remuneration of the Board of Directors is paid in shares of Autoneum Holding Ltd. In 2021, 5 414 shares (2020: 11 605 shares) with a total value of CHF 963 800 (2020: CHF 702 451) were allocated and 4 640 shares (2020: 9 871 shares) were transferred to the members of the Board of Directors. The remaining shares were withheld by the Company to account for the beneficiaries' part of social security contributions and withholding taxes.

### 15 SHARES HELD BY THE MEMBERS OF THE BOARD OF DIRECTORS OR GROUP EXECUTIVE BOARD

The following shares were held by members of the Board of Directors or the Group Executive Board, including parties related to them (Art. 663c Swiss Code of Obligations):

Number of shares	31.12.2021	31.12.2020
Hans-Peter Schwald, Chairman	48 101	46 154
Rainer Schmückle, Vice Chairman	4 553	4 152
Liane Hirner	639	n/a
Norbert Indlekofer	1 725	1 416
Michael Pieper	1 050 092	995 014
This E. Schneider	17 192	16 837
Peter Spuhler	n/a	755 523
Oliver Streuli	203	n/a
Ferdinand Stutz	5 561	5 264
<b>Total Board of Directors</b>	<b>1 128 066</b>	<b>1 824 360</b>
Matthias Holzammer, CEO	7 278	6 839
Bernhard Wiehl	214	149
Alexandra Bendler	784	703
Greg Sibley	-	-
Andreas Kolf	1 137	1 015
Fausto Bigi	315	-
<b>Total Group Executive Board</b>	<b>9 728</b>	<b>8 706</b>

## 16 SUBSIDIARIES, ASSOCIATED COMPANIES AND INVESTMENTS

			Nominal capital in millions	Directly owned	Indirectly owned	Voting and capital rights <sup>1</sup>	Research & technology	Application development	Production & supply	Service & financing
<b>Switzerland</b>	Autoneum International Ltd, Winterthur	CHF	7.0	•	100%					•
	Autoneum Management Ltd, Winterthur	CHF	1.3	•	100%					•
	Autoneum Switzerland Ltd, Sevelen	CHF	0.3	•	100%			•	•	
<b>Argentina</b>	Autoneum Argentina S.A., Córdoba	ARS	22.5	•	100%					•
<b>Belgium</b>	Autoneum Belgium NV, Genk	EUR	8.0	•	100%					•
<b>Brazil</b>	Autoneum Brasil Têxteis Acústicos Ltda., São Paulo	BRL	201.6	•	100%			•	•	
<b>Canada</b>	Autoneum Canada Ltd., Tillsonburg	CAD	-	•	100%					•
<b>China</b>	Autoneum (Chongqing) Sound-Proof Parts Co., Ltd., Chongqing	CNY	49.3	•	100%					•
	Autoneum (Shenyang) Sound-Proof Parts Co., Ltd., Shenyang	CNY	49.2	•	100%					•
	Autoneum (Shanghai) Management Co., Ltd., Shanghai	CNY	13.2	•	100%			•	•	
	Autoneum (Yantai) Co., Ltd., Yantai	CNY	34.5	•	100%					•
	Autoneum (Pinghu) Co., Ltd., Pinghu	CNY	144.9	•	100%					•
	Autoneum (Tianjin) Co., Ltd., Tianjin	CNY	17.0	•	100%					•
	Autoneum Nittoku (Guangzhou) Sound-Proof Co. Ltd., Guangzhou	CNY	75.8	•	51%					•
	Tianjin Autoneum Nittoku Sound-Proof Co., Ltd., Tianjin	CNY	47.2	•	51%					•
	Wuhan Nittoku Autoneum Sound-Proof Co., Ltd., Wuhan	CNY	89.6	•	25%					•
Wuhan Nittoku Autoneum Auto Parts Co., Ltd., Wuhan	CNY	81.0	•	25%					•	
<b>Czech Republic</b>	Autoneum CZ s.r.o., Choceň	CZK	206.2	•	100%					•
<b>France</b>	Autoneum Holding France SAS, Lyon	EUR	39.8	•	100%					•
	Autoneum France SAS, Aubergenville	EUR	8.0	•	100%			•	•	
<b>Germany</b>	Autoneum Germany GmbH, Rossdorf	EUR	11.2	•	100%					•
<b>Great Britain</b>	Autoneum Great Britain Ltd., Stoke-on-Trent	GBP	57.0	•	100%					•
<b>Hungary</b>	Autoneum Hungary Ltd., Komárom	EUR	-	•	100%					•
<b>India</b>	Autoneum India Pvt. Ltd., New Delhi	INR	571.4	•	100%					•
	Autoneum Nittoku Sound Proof Products India Pvt. Ltd., Chennai	INR	220.0	•	51%					•
<b>Indonesia</b>	PT Tuffindo Nittoku Autoneum, Jakarta	IDR	162 666.0	•	9%					•
<b>Italy</b>	Porfima Uno S.r.l., Torino	EUR	-	•	100%					•
<b>Japan</b>	Nihon Tokushu Toryo Co. Ltd., Tokyo	JPY	4 753.0	•	13%		•	•	•	•
	ATN Auto Acoustics Inc., Kamioguchi	JPY	100.0	•	25%			•		
<b>Korea</b>	Autoneum Korea Ltd., Incheon	KRW	264.0	•	100%					•
<b>Mexico</b>	Autoneum Mexico, S. de R.L. de C.V., Hermosillo	MXN	-	•	100%					•
	Autoneum Mexico Operations, S.A. de C.V., San Luis Potosí	MXN	803.9	•	100%					•
	Autoneum Mexico Servicios, S.A. de C.V., San Luis Potosí	MXN	3.1	•	100%					•
	UGN de Mexico, S. de R.L. de C.V., Silao	MXN	0.1	•	50%					•
	Servicios de Acoustical Solutions, S. de R.L. de C.V., Silao	MXN	0.1	•	50%					•
<b>Poland</b>	Autoneum Poland Sp.z.o.o., Katowice	PLN	20.8	•	100%			•	•	
<b>Portugal</b>	Autoneum Portugal Lda., Setúbal	EUR	0.6	•	87%					•
<b>Russia</b>	Autoneum Rus LLC, Ryazan	RUB	0.8	•	100%					•
<b>South Africa</b>	Autoneum Feltex (Pty) Ltd., Durban	ZAR	-	•	51%					•
<b>Spain</b>	Autoneum Spain S.A.U., Terrassa	EUR	5.8	•	100%					•
<b>Thailand</b>	SRN Sound Proof Co., Ltd., Chonburi	THB	100.0	•	30%					•
	Summit & Autoneum (Thailand) Co., Ltd., Chonburi	THB	16.0	•	51% <sup>2</sup>					•
<b>Turkey</b>	Autoneum Erkurt Otomotive AS, Bursa	TRY	2.5	•	51%					•
<b>USA</b>	Autoneum America Corporation, Novi	USD	-	•	100%					•
	Autoneum North America Inc., Novi	USD	-	•	100%			•	•	
	UGN Inc., Tinley Park	USD	-	•	50%			•	•	

<sup>1</sup> Unless otherwise noted, voting and capital rights have not changed compared to the previous year.<sup>2</sup> Autoneum has 49% of the capital rights.

## 17 SIGNIFICANT SHAREHOLDERS

At December 31, 2021 Autoneum knew that the following shareholders had more than 3% of the Company voting rights (in accordance with Art. 663c of the Swiss Code of Obligations):

	31.12.2021	31.12.2020
Artemis Beteiligungen I Ltd, Hergiswil, Switzerland; Centinox Holding Ltd <sup>1</sup> , Hergiswil, Switzerland; and Michael Pieper, Hergiswil, Switzerland <sup>2</sup>	22.47%	21.30%
PCS Holding Ltd, Frauenfeld, Switzerland; and Peter Spuhler, Warth-Weiningen, Switzerland <sup>2</sup>	16.17%	16.17%
Martin and Rosmarie Ebner via BZ Bank Limited, Wilen, Switzerland	n/a	3.10%

<sup>1</sup> Centinox Holding Ltd held shares only as of 31.12.2020.

<sup>2</sup> Voting rights according to the Company's records at December 31.

Details of the disclosures can be found at:

[www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/](http://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/)

## 18 EVENTS AFTER BALANCE SHEET DATE

There were no events between December 31, 2021 and March 1, 2022 that would necessitate adjustments to the book value of the Company's assets or liabilities, or that require additional disclosure in the financial statements.



# Dividend proposal for the appropriation of available earnings

CHF	2021
Balance brought forward	150 184 469
Net profit	54 899 114
<b>At the disposal of the Annual General Meeting</b>	<b>205 083 583</b>
<b>Proposal</b>	
Distribution of a dividend <sup>1</sup>	7 008 545
Carried forward to new account	198 075 039
<b>Total</b>	<b>205 083 583</b>

<sup>1</sup> Shares held by Autoneum Holding Ltd at the time of dividend distribution are not entitled to dividends. The amount distributed will be reduced accordingly at the time of distribution.

The Board of Directors proposes that a dividend of CHF 1.50 be paid per registered share entitled to dividends.



# Statutory Auditor's Report

To the General Meeting of Autoneum Holding Ltd, Winterthur

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Autoneum Holding Ltd, which comprise the balance sheet as at December 31, 2021, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 115 to 122) for the year ended December 31, 2021 comply with Swiss law and the company's articles of incorporation.

### Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

### Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority



#### Investments and loans due from subsidiaries

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



## Investments and loans due from subsidiaries

### Key Audit Matter

The financial statements of Autoneum Holding Ltd as at December 31, 2021, include investments in the amount of CHF 467.4 million, current loans due from subsidiaries in the amount of CHF 107.6 million and non-current loans due from subsidiaries in the amount of CHF 295.0 million.

The company annually reviews investments and loans due from subsidiaries for impairment on an individual basis.

The impairment assessment of investments and loans due from subsidiaries requires significant management judgment, in particular in relation to the forecast earnings and growth rates as well as discount rates, and is therefore a key area that our audit was concentrated on.

### Our response

Our audit procedures included, amongst others, evaluating the methodical and mathematical accuracy of the model used for the impairment tests as well as the appropriateness of management's assumptions.

This comprised:

- Agreeing forecasts used in the impairment tests to current expectations of management.
- Challenging the robustness of key assumptions on a sample basis, based on our understanding of the commercial prospects of the respective entities.

### For further information on investments and loans due from subsidiaries refer to the following:

- Note 3, Valuation adjustments on investments and loans
- Note 6, Loans and financial receivables
- Note 8, Investments

### Responsibility of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Swiss law and Swiss Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

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

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

## Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

  
Reto Benz  
Licensed Audit Expert  
Auditor in Charge

  
Kathrin Schünke  
Licensed Audit Expert

Zurich, March 1, 2022

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

# Remuneration Report

## 1 INTRODUCTION

### CONTENT AND BASIS OF THE REMUNERATION REPORT

This remuneration report explains the authority and definition of the remuneration of the members of the Board of Directors and the Group Executive Board as well as Autoneum's remuneration system and how it was applied in the reporting period. Disclosures are made in accordance with the applicable provisions of the Swiss Ordinance against Excessive Remuneration in Listed Companies (ERCO), the Directive on Information relating to Corporate Governance of the SIX Swiss Exchange and the Swiss Code of Best Practice for Corporate Governance from *economiesuisse*. The remuneration tables listed under item 4 have been audited by the statutory auditors. In addition, this remuneration report will be submitted to the shareholders at the Annual General Meeting on March 23, 2022 for a consultative vote so that they can express their opinion on the remuneration policy and remuneration system.

### RULES ON REMUNERATION IN THE ARTICLES OF ASSOCIATION

The Articles of Association of Autoneum Holding Ltd contain provisions on the remuneration principles applicable to the members of the Board of Directors and the Group Executive Board:

- Resolutions and powers of the Annual General Meeting (§12/13);
- Approval of the remuneration of the members of the Board of Directors and the Group Executive Board as well as an additional amount for payments to new members of the Group Executive Board appointed by the Board of Directors after the approval of the remuneration (§14);
- Contracts of office and employment of the members of the Board of Directors and the Group Executive Board (§19);
- Number of permissible mandates (§20);
- Election and duties of the Compensation Committee (§23);
- Principles applicable to the fixed and variable performance-related remuneration and to the allocation of shares to the members of the Board of Directors and the Group Executive Board (§24);
- Loans, credit facilities and retirement benefits for members of the Group Executive Board (§25).

The full text of the Articles of Association (in German) is available online at [www.autoneum.com/wp-content/uploads/2017/08/Statuten.pdf](http://www.autoneum.com/wp-content/uploads/2017/08/Statuten.pdf).

The maximum aggregate total compensation of the members of the Board of Directors and the Group Executive Board as proposed by the Board of Directors is submitted to the shareholders for approval at the Annual General Meeting each year separately and prospectively for the coming financial year (§14 of the Articles of Association).

## 2 AUTHORITY AND DEFINITION PROCESS

The basic features of the remuneration policy, the remuneration system and the share-based payment plans are elaborated by the Compensation Committee, reviewed annually and approved by the Board of Directors. No third-party consultants have been engaged for the elaboration of the salary policy or the compensation programs.

The Board of Directors fixes annually the remuneration of the members of the Board of Directors and the Group Executive Board, approves the fixed portion of the remuneration and defines the targets, parameters and other details for the executive bonus and the long-term incentive plans, based on the suggestions of the Compensation Committee and within the limits approved by the shareholders. The members of the Board of Directors, whose remuneration is decided on, also participate in the meeting. The amount of remuneration for the members of the Board of Directors and the Group Executive Board is determined at the discretion of the Board of Directors. In doing so, the Board of Directors takes into consideration function and responsibility, in the case of the Group Executive Board also experience, and incorporates information which is publicly available or known from their own experience.

### 3 REMUNERATION SYSTEM

#### REMUNERATION OF THE BOARD OF DIRECTORS

The members of the Board of Directors receive a fixed annual fee for their entire board activities as well as an annual lump sum payment for representation expenses. They receive no variable remuneration.

The members of the Board of Directors may opt to obtain all or part of their remuneration in cash or in Autoneum shares. The cash component is paid out in December of the related financial year. The shares are allocated in the respective financial year and blocked for three years. The share price applicable for the conversion of the remuneration into shares is based on the average closing price of the ten trading days following the dividend payment or the Annual General Meeting, if no dividend is paid, discounted to reflect a three-year blocking period.

#### REMUNERATION OF THE GROUP EXECUTIVE BOARD

The remuneration structure for the Group's senior management consists of several components and, within a market-based remuneration framework, takes into account the individual performance and the company's performance in the financial year as well as the creation of long-term, sustainable added value. The remuneration of the Group's senior management including the members of the Group Executive Board consists of a basic salary (fixed remuneration), a variable, performance-related bonus according to the executive bonus plan and the participation in the long-term incentive plan (LTI). To ensure a consistent focus on the long-term interests of the shareholders, a part of the variable remuneration is paid in the form of blocked shares. Due to the three-year blocking period of the allocated shares, this remuneration is linked to the long-term development of the company value of Autoneum.

At the beginning of the 2020 financial year, the Board of Directors approved the one-off and extraordinary participation in a turnaround incentive plan (TIP), with a vesting period ending at the end of February 2023. According to the plan provisions, shares were granted exclusively in the 2020 financial year.

#### BASIC SALARY

The basic salary of the members of the Group Executive Board consists of a fixed annual remuneration. The Board of Directors may define a portion of the basic salary to be paid in Autoneum shares. The number of shares is calculated based on the average closing price during the first ten trading days of the respective year. The shares are allocated in December of the respective year and are blocked for three years.

#### BONUS

The members of the Group Executive Board may reach a variable, performance-related remuneration of up to 80% of their basic salary in the form of a bonus, subject to the achievement or exceeding of defined minimum profitability and liquidity targets of the Group or of the Business Groups as well as to the achievement of annually agreed individual targets. The targets set for the CEO and CFO relate to the Group net result margin (weighting 52.5%), Group RONA (22.5%) and individual targets (25%). For the Heads of the Business Groups, the targets relate to the Group net result margin (17.5%), Group RONA (7.5%), EBIT margin of the Business Group (35%), free cash flow of the Business Group (15%) and individual targets (25%). Minimum and maximum limits are defined for the weighted targets. The achievement of the minimum limit is a condition for the performance-related bonus, while the maximum bonus is achieved at the maximum limit. Between the two limits, the performance-related bonus increases linearly. Irrespective of the other targets, a bonus is only paid if the Group net result is positive. At least 40% of the bonus is paid in Autoneum shares. Each member of the Group Executive Board can opt to receive up to 100% of the bonus in shares and to receive either restricted shares with a blocking period of three years or an entitlement to shares with a deferred transfer after a period of three years. The calculated bonus is multiplied by 1.4 and then converted into shares using the average closing price of the first ten trading days in January of the following year.



The Board of Directors amended the executive bonus plan by adding Environmental Social Governance (ESG) criteria with effect as of the 2022 financial year. These criteria will be weighted at 10%, at the same time, the weighting of the individual targets at CEO, CFO and Business Group level will be 15% (previously 25%). The weightings of the other targets remain unchanged. This change is intended to strengthen the company's focus on the importance of sustainability as well as on social and environmental matters even more for the success of the company.

#### **LONG-TERM INCENTIVE PLAN (LTI)**

The LTI allows the Board of Directors to allocate a part of the Group's net result to predefined beneficiaries. Beneficiaries are the members of the Group's senior management including the Group Executive Board. An allocation is only made if the Group's net result is positive and exceeds a defined threshold. The total amount of the Group's net result dedicated to the LTI is converted into Autoneum shares and the shares are allocated to the beneficiaries at fixed percentage rates corresponding to the internal function levels. The shares become property of the beneficiaries after a vesting period of 35 months, if the beneficiaries are then still employed by an Autoneum company. Due to the 35-month vesting period, the value of the LTI is in strong correlation to the performance of the Autoneum share price. Immediate vesting occurs in case of death or retirement of a beneficiary. In case of employment termination, shares not yet vested lapse without compensation. Exceptions are possible at the discretion of the Compensation Committee.

#### **TURNAROUND INCENTIVE PLAN (TIP)**

The members of the Group's senior management including the Group Executive Board were granted an individual, maximum number of Autoneum shares on a one-off basis in the 2020 financial year. The shares become property of the beneficiaries after a vesting period of 35 months, if the beneficiaries are then still employed by an Autoneum company and if the targets set for the turnaround are achieved at the end of the term of the TIP. The targets set are based on the profitability (EBIT) and free cash flow of the Group for the financial years 2020 until 2022, both criteria weighted 50% each. Minimum and maximum limits are defined for the weighted targets. The achievement of the minimum limit is a condition for the transfer of shares. The maximum limit corresponds to the maximum number of shares originally granted. Between the two limits, the actual number of shares transferred increases linearly. The entitlement to the other shares lapses without compensation.

#### **SHARE OPTIONS AND SHARE PURCHASE PLANS**

There are no share options or share purchase plans.

#### **PERMISSIBLE ACTIVITIES OUTSIDE THE AUTONEUM GROUP**

The Board of Directors decides on directorships of members of the Group Executive Board or the Group's senior management at other companies. If the directorships are exercised outside the contractual working time, the director's remunerations received must not be surrendered to Autoneum.

## 4 DISCLOSURE OF REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE GROUP EXECUTIVE BOARD

### REMUNERATION OF THE BOARD OF DIRECTORS

The total remuneration paid to the current members of the Board of Directors in the 2021 financial year amounts to CHF 1 501 180. There has been no remuneration to former members of the Board of Directors.

At the 2020 Annual General Meeting a maximum total remuneration to the Board of Directors of CHF 1.75 million was awarded for the 2021 financial year, thus the remuneration for 2021 is within the approved limit.

No loans, credit facilities or additional fees or remuneration have been paid to members of the Board of Directors or parties related to them. In the 2021 financial year, fees in the amount of CHF 38 859.00 (2020: CHF 42 358.10) were paid for legal services to the law firm for which the Chairman of the Board of Directors acts as senior partner.

The total of all remuneration paid to the members of the Board of Directors is composed as follows:

Board of Directors	2021				2020			
	Fixed remuneration		Other <sup>1</sup>	Total	Fixed remuneration		Other <sup>1</sup>	Total
	in cash	in shares <sup>2</sup>			in cash	in shares <sup>3</sup>		
CHF								
Hans-Peter Schwald Chairman	-	369 035	23 676	392 711	-	184 556	13 560	198 116
Rainer Schmückle Vice Chairman	120 000	95 241	-	215 241	-	119 063	-	119 063
Liane Hirner <sup>4</sup>	-	116 069	-	116 069	-	-	-	-
Norbert Indlekofer	62 739	80 109	9 642	152 489	-	77 418	5 771	83 189
Michael W. Pieper	-	119 095	5 483	124 578	-	59 501	2 702	62 203
This E. Schneider	75 000	89 188	8 881	173 069	-	89 282	4 600	93 882
Peter Spuhler <sup>5</sup>	25 000	-	1 893	26 893	-	59 501	4 435	63 936
Oliver Streuli <sup>6</sup>	65 000	38 630	7 617	111 247	-	-	-	-
Ferdinand Stutz	120 000	56 432	12 450	188 882	-	113 131	8 433	121 564
<b>Total</b>	<b>467 739</b>	<b>963 800</b>	<b>69 641</b>	<b>1 501 180</b>	<b>-</b>	<b>702 452</b>	<b>39 501</b>	<b>741 953</b>

<sup>1</sup> Other remuneration includes the employer's portion of social insurance contributions.

<sup>2</sup> The fixed remuneration in shares is calculated by the number of shares granted multiplied by the average closing price for the ten days following the 2021 Annual General Meeting (CHF 178.02). The transfer took place after deduction of social security contributions and withholding taxes.

<sup>3</sup> The fixed remuneration in shares is calculated by the number of shares granted multiplied by the average closing price for the ten days following the 2020 Annual General Meeting (CHF 60.53). The transfer took place after deduction of social security contributions and withholding taxes.

<sup>4</sup> Member of the Board of Directors from 25.03.2021.

<sup>5</sup> Member of the Board of Directors until 25.03.2021.

<sup>6</sup> Member of the Board of Directors from 25.03.2021.

The change in the Board of Directors' remuneration compared to the previous year is mainly caused by the fact that in the 2020 financial year, due to the coronavirus pandemic, the members of the Board of Directors waived half of their fee entitlement, and that they received the remaining amount entirely in Autoneum shares. In addition, the Board of Directors was expanded by one member at the Annual General Meeting 2021.

## REMUNERATION OF THE GROUP EXECUTIVE BOARD

In the 2021 financial year, the total remuneration paid to the members of the Group Executive Board amounts to CHF 5 645 026, thereof CHF 1 546 113 to the CEO, who receives a part of his basic salary in shares. There has been no remuneration to former members of the Group Executive Board.

At the 2020 Annual General Meeting a maximum total remuneration to the Group Executive Board of CHF 8.5 million was awarded for the 2021 financial year, thus the remuneration for 2021 is within the approved limit.

No loans, credit facilities or additional fees or remuneration have been paid to members of the Group Executive Board or parties related to them.

The total remuneration paid to the members of the Group Executive Board is composed as follows:

Group Executive Board	Fixed remuneration		Variable remuneration		LTI <sup>1</sup>	TIP <sup>2</sup>	Other <sup>3</sup>	Total
<b>2021</b>								
CHF	in cash	in shares <sup>4</sup>	in cash	in shares <sup>5</sup>				
All members	2 469 838	72 150	832 450	1 074 156	165 892	-	1 030 540	5 645 026
Thereof Matthias Holzammer	674 000	72 150	198 424	416 664	52 658	-	132 218	1 546 113
<b>2020</b>								
CHF	in cash	in shares <sup>6</sup>	in cash	in shares				
All members	3 127 056	72 077	-	-	-	156 947	1 055 421	4 411 500
Thereof Matthias Holzammer	657 150	72 077	-	-	-	35 995	133 342	898 563

<sup>1</sup> For the 2021 financial year, 2.5% of Group net profit has been allocated. The rights to be allocated in April 2022 will vest end of February 2025.

<sup>2</sup> The maximum number of shares was multiplied by the applicable share price of CHF 58.15 for the rights granted in April 2020; the vesting period ends at the end of February 2023.

<sup>3</sup> Other remuneration includes the employer's portion of social insurance contributions, the employer's portion of contributions to pension funds and other fringe benefits.

<sup>4</sup> The applicable share price during the defined period was CHF 164.35.

<sup>5</sup> The part of the bonus opted to be paid out in shares (at least 40%) is multiplied by the factor 1.4 and then converted into shares using the average trading price for the first ten days in January 2022 (CHF 184.12).

<sup>6</sup> The applicable share price during the defined period was CHF 113.15.

The change in the remuneration of the Group Executive Board members compared to the previous year is mainly based on the fact that for the 2020 financial year, neither a bonus was paid nor an LTI allocated. In addition, due to the coronavirus pandemic, the Group Executive Board waived 10% of their basic salary over a period of three months in 2020. On the other hand, the total remuneration in the 2020 financial year also included payments to former members of the Group Executive Board who left in 2019.



# Report of the Statutory Auditor

To the General Meeting of Autoneum Holding Ltd, Winterthur

## Report on the Audit of the Remuneration Report

We have audited the accompanying remuneration report of Autoneum Holding Ltd for the year ended December 31, 2021.

The audit was limited to the information according to articles 14 – 16 of the Ordinance against Excessive compensation in Stock Exchange Listed Companies contained in the tables “Remuneration of the Board of Directors” and “Remuneration of the Group Executive Board” on pages 130 to 131 of the remuneration report.

### Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

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

### Opinion

In our opinion, the remuneration report for the year ended December 31, 2021 of Autoneum Holding Ltd complies with Swiss law and articles 14 – 16 of the Ordinance.

KPMG AG

Reto Benz  
Licensed Audit Expert  
Auditor in Charge

Kathrin Schünke  
Licensed Audit Expert

Zurich, March 1, 2022



# Review 2017 – 2021

## CONSOLIDATED INCOME STATEMENT

CHF million	2021	2020	2019	2018	2017 <sup>1</sup>
Revenue	1 700.4	1 740.6	2 297.4	2 281.5	2 205.4
BG Europe	636.9	641.8	900.9	984.5	886.2
BG North America	687.0	753.5	1 001.8	921.8	963.8
BG Asia	281.0	254.1	275.7	260.3	241.9
BG SAMEA <sup>2</sup>	94.7	88.4	125.8	111.5	114.1
EBITDA	179.8	148.5	164.0	197.2	257.8
in % of revenue	10.6%	8.5%	7.1%	8.6%	11.7%
EBIT	57.5	27.8	-32.9	114.1	179.9
in % of revenue	3.4%	1.6%	-1.4%	5.0%	8.2%
Net result	30.1	-10.7	-77.7	74.7	118.9
in % of revenue	1.8%	-0.6%	-3.4%	3.3%	5.4%
Return on net assets in % (RONA)	4.5%	1.3%	-3.9%	7.8%	15.0%
Return on equity in % (ROE)	7.0%	-2.3%	-13.8%	11.6%	19.4%

## CONSOLIDATED BALANCE SHEET AT DECEMBER 31

Non-current assets	942.1	1 002.0	1 174.7	897.5	853.0
Current assets	559.9	806.1	664.4	703.8	689.9
Equity attributable to shareholders of AUTN	357.4	309.7	389.1	519.3	545.7
Equity attributable to non-controlling interests	93.8	103.9	109.9	108.4	112.6
Total shareholders' equity	451.2	413.6	498.9	627.7	658.3
Non-current liabilities	493.9	874.1	748.0	423.1	348.6
Current liabilities	556.9	520.3	592.2	550.6	536.0
Total assets	1 502.0	1 808.1	1 839.1	1 601.3	1 542.9
Net debt <sup>3</sup>	251.4	271.7	335.0	262.7	162.4
Shareholders' equity in % of total assets	30.0%	22.9%	27.1%	39.2%	42.7%

## CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flows from operating activities	100.4	149.7	119.2	124.0	145.2
Cash flows used in investing activities	-29.3	-37.2	-129.1	-164.7	-195.7
Cash flows (used in)/from financing activities	-288.7	122.3	17.5	34.3	5.4
Employees at December 31 <sup>4</sup>	11 840	12 774	13 128	12 946	12 133

<sup>1</sup> Restated.

<sup>2</sup> Including South America, Middle East and Africa.

<sup>3</sup> Net debt excl. lease liabilities at December 31.

<sup>4</sup> Full-time equivalents including temporary employees (excluding apprentices).



## INFORMATION FOR INVESTORS

CHF million	2021	2020	2019	2018	2017 <sup>1</sup>
Number of issued shares	4 672 363	4 672 363	4 672 363	4 672 363	4 672 363
Share capital of Autoneum Holding Ltd	0.2	0.2	0.2	0.2	0.2
Net result of Autoneum Holding Ltd	54.9	24.3	29.7	21.4	51.9
Market capitalization at December 31	788.5	749.6	539.9	685.8	1 306.6
in % of revenue	46.4%	43.1%	23.5%	30.1%	59.2%
in % of equity attr. to shareholders of AUTN	220.6%	242.0%	138.8%	132.1%	239.5%

## DATA PER SHARE (AUTN)

CHF	2021	2020	2019	2018	2017 <sup>1</sup>	
Basic earnings per share	4.91	-5.45	-20.82	11.83	19.53	
Dividend per share <sup>2</sup>	1.50	-	-	3.60	6.50	
Shareholders' equity per share <sup>3</sup>	76.92	66.77	83.73	111.62	117.25	
Share price at December 31	169.70	161.60	116.20	147.40	280.75	
Share price development during the year	High	201.00	167.50	174.30	317.00	298.00
	Low	133.30	50.00	91.65	130.00	228.80

<sup>1</sup> Restated.

<sup>2</sup> As proposed by the Board of Directors and subject to the approval of the Annual General Meeting.

<sup>3</sup> Equity attributable to shareholders of Autoneum Holding Ltd per share outstanding at December 31.

# Important Dates

**Annual General Meeting 2022**

March 23, 2022

**Semi-Annual Report 2022**

July 27, 2022

**Annual General Meeting 2023**

March 23, 2023

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All statements in this report which do not refer to historical facts are forecasts for the future that offer no guarantee whatsoever with respect to future performance; they embody risks and uncertainties which include – but are not confined to – future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors that are outside the Company's control.

March 2022

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