



Annual Report 2022

Further Milestones Achieved

Despite the current crises, high-quality infrastructures for data and communications networks remain in demand. R&M is successfully mastering new challenges, investing in the future and positioning itself as a full-service provider.

No respite. The pandemic phase was followed by several concurrent challenges in the 2022 business year. The war in Ukraine, supply bottlenecks, sharp increases in the price of raw materials and fuel as well as currency fluctuations, inflation and recession signals affected and unsettled the markets.

For R&M, this once again meant reacting to more difficult conditions with a great deal of flexibility and commitment – while at the same time continuing to pursue its realignment as a solution provider.

This also included the acquisition of the cabinet and housing manufacturer TecnoSteel S.r.l. in Brunello, Italy, right at the beginning of the financial year. This is the largest acquisition in R&M's 59-year history and is an important milestone in the implementation of the strategy. R&M is rapidly transforming from a component manufacturer to a supplier of integrated infrastructure solutions for data centers, data and communications networks. With this acquisition, R&M is specifically expanding its portfolio and can now offer complete solutions – from connectivity to infrastructure management – from its own value chain. This integrative approach makes it possible to react quickly to a wide range of customer needs and to provide coordinated solutions from a single source.

Earnings impacted by extraordinary costs

In the 2022 financial year, the R&M Group generated sales of CHF 297.9 million and growth of 8.6% compared to the previous year. Consolidated sales were strongly in-

fluenced by M&A (merger and acquisitions) activities and the appreciation of the Swiss franc. In contrast to the acquisition of TecnoSteel, the non-strategic power cable business from the cable plant in the Czech Republic was sold in the spring. Organically and at constant exchange rates, growth was a good 7.8%.

In the financial year, R&M generated an operating profit (EBIT) of CHF 12.6 million (previous year: CHF 15.2 million). The result is strongly affected by the high integration costs for the newly acquired company in Italy and by restructuring costs for the realignment of a business unit abroad. Excluding these extraordinary costs, EBIT is slightly up on the previous year.

Volatile demand situation

R&M was able to look back on a good demand situation for the year as a whole. Investments are made in high-quality infrastructures for data and communications networks even in times of crisis. However, sales development in the 2022 business year varied greatly. The recovery of the markets, which began back in 2021, continued seamlessly in the first half of 2022. Capacities had to be further increased in all regions in order to meet the strong demand. In the second half of the year, however, order intake leveled off, particularly in the LAN business, due to initial recessionary trends.

Business in Europe was very positive in 2022. Countries outside the GAS region in particular performed dynamically. The successful completion of new data center proj-

ects and telecoms business resulted in double-digit growth in France, Italy, Spain, Austria and various Eastern European countries. Business in the GAS region stabilized at the 2021 level as various key projects were due to expire and had to be compensated for.

As in the previous year, R&M recorded the largest growth in Asia, with around 40%. India continued to benefit from the strong telecoms business and China continued to expand its position in the data center business, also thanks to the new production facility in Pinghu. With its two production plants for cabinets and connectivity, R&M is ideally positioned in China to further expand its market position.

In the Middle East, R&M was also able to develop its business positively, even though some key orders for Egypt could not yet be delivered due to new import restrictions. However, these were more than compensated for thanks to larger orders in the UAE, Türkiye and Morocco. Increased oil and gas prices led to new momentum in the region, which will continue to be felt in 2023.

Business in North and South America was more challenging. In the USA, a long-standing major customer significantly reduced its investment activities, while in Brazil, the FTTH rollouts of the major telecom providers were severely curtailed due to economic and political uncertainties. However, the situation in both countries is expected to improve in the near future.



Thomas A. Ernst and Michel Riva

Investments for the future

Important investments for the new orientation of R&M were made and initiated in 2022. The aim is to make products and capacities available for new applications and future markets as quickly as possible. State-of-the-art production lines have been installed at the new plant in Italy so that the EMEA market can be covered with R&M-specific cabinets and enclosures. At the plant in the Czech Republic, further investments were made in new, large fiber optic cable lines in order to be able to meet the needs of this rapidly growing market in the long term.

After three years of development, the R&M CONEXIO portfolio was completed at the end of 2022. This flexible fiber optic infrastructure solution for mobile communications antennas is optimally designed for the 5G rollout.

R&M has recently become the first manufacturer to offer complete Single Pair Ethernet system solutions for smart buildings. R&M is ready for the future.

Excellent sustainability

As a family-owned company that operates sustainably, R&M is taking on the urgent tasks of climate protection. R&M aims to halve production-related greenhouse gas emissions by 2030 and is pursuing a number of ambitious ESG targets. R&M made good progress in this area in the reporting year, as the rating agency EcoVadis recently confirmed with a silver certificate. Among other things, R&M launched scientifically based CO₂ accounting for production.

Flexible and optimistic into the New Year

We expect demand for high-quality network solutions to continue to rise – regardless of any macroeconomic recession. According to a study by Research and Markets*, the fiber optic market will grow by 10.9% annually by 2027. Basic fiber optic coverage continues to expand, particularly in Europe, North and South America, and the digital era calls for more and smaller, distributed data centers. As already mentioned, new opportunities are also opening up for R&M due to the 5G expansion and the market for smart buildings. The 2023 business year will also bring with it many new, unplanned challenges to which we are actively responding. We are sticking to our growth strategy and remain cautiously optimistic. Far-sighted customers, quality-conscious partners and 1,700 motivated R&M employees at all locations share our optimism. The Board of Directors and the Executive Board would like to thank you all for your contribution in the 2022 financial year and for your trust in R&M's capabilities as a successful provider of connectivity infrastructures.

Thomas A. Ernst,
Chairman of the Board of Directors

Michel Riva, CEO

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Publication Details

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In the reporting year, R&M continued to cultivate its transformation into a provider of integrated infrastructure solutions for data centers.

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* Source: Research and Markets

On the Way to Becoming a Full-Service Provider

The market for data communication is changing rapidly, needs have evolved and new approaches are required. As a result, R&M has transformed itself from a component manufacturer to a global provider of complete infrastructures and is growing.

«We provide connectivity that matters.» In order to continue fulfilling this mission and to pursue sustainable growth, R&M is systematically developing its corporate strategy. The company has significantly expanded its positioning as a global provider of complete infrastructures for data and communications networks. Further important decisions were made in the reporting year.

R&M wants to provide its customers with comprehensive support when it comes to planning, building, integrating and operating network infrastructures. The pandemic, the disruption of supply chains and the shortage of raw materials, resources and skilled

workers have made the infrastructure-related needs of customers even more transparent. They have been emerging for some time, as the momentum of the digital era calls for new approaches.

Customer needs always in focus

Operators of data centers in particular are increasingly faced with complex infrastructure issues. They can only address these issues with forward-thinking partners. R&M has been supporting global providers for years and has gained in-depth insights into their needs, which has led to product developments such as the successful Netscale family.

The holistic consulting approach is gaining in importance, as managers and project managers of data centers are now grateful for all organizational, professional, HR, structural and technical support. Everything has to be simpler and faster. Each unit must fit individually. Migrations to faster data networks and high-density fiber optic cabling must be successful on an ad hoc basis. R&M has anticipated the situation, has mastered the necessary skills to offer much more than its traditional portfolio, and is becoming a trusted integrator. For example, it offers complete and integrated infrastructure solutions with all core elements for computer rooms of all types and sizes for the global data center market.



Largest acquisition to date in the history of R&M: The rack manufacturer Tecnosteel S.r.l. in Brunello, Italy, has been part of the Group since the beginning of 2022.



With extensive investments in its own plants, R&M is underpinning its strategy. Recently, the machinery for rack production at Tecnosteel was expanded by a fully automatic laser cutting machine.



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With the acquisition of the Italian cabinet and data center solution provider Tecnosteel S.r.l. in early 2022, R&M reached another important milestone in the implementation of this strategy. It is now possible to offer complex infrastructure solutions from a single source from the very first planning stage. The individual components come from R&M's global supply chain, consisting of 14 of its own manufacturing facilities, a global operation and quality management system, dedicated competence centers, and long-term suppliers and logistics partners. The solutions are defined on a customer-specific basis and delivered on time.

Bundled value creation

R&M is one of the few global suppliers that operates the value-added chain in such depth and breadth. As a result, R&M remains flexible in terms of material supply, production control and cost optimization. The global production network makes the entire Group independent, and the plants support each other whenever necessary.

The global supply chain operates according to Swiss standards, with a regional focus. The plants have the critical size to be able to quickly serve international customers, such as cloud and network providers, at their prem-

ises. Regional customer focus has always been one of R&M's strengths; it is precisely this focus that proves to be an economic advantage today, and is more sustainable than ever. This is because it minimizes transport routes and thus CO₂ emissions. In addition, high-end workplaces and the opportunity for intercultural cooperation are offered on site.

Sustainable growth

R&M generates sustained growth from its mission to serve customers with complete infrastructures. With this holistic strategy, R&M can meet the connectivity needs of the broadband, mobile, smart traffic, smart city and smart building markets.

Overall, R&M is continuing the idea of a sustainable and value-conscious family company. The farsightedness of the owners, the Board of Directors and management has proved its worth, as the markets welcome the holistic approach and its added value. R&M is recognized as a global player and is increasingly positioning itself as a provider of all-encompassing solutions for complex networks.

R&M's mission: to contribute to the ability of people and organizations to communicate without restriction and to make a decisive contribution to the operational reliability of data and communications networks.

«R&M is increasingly positioning itself as a provider of all-encompassing solutions for complex networks.»

Everything from One Source

In the reporting year, R&M continued to cultivate its transformation into a provider of integrated infrastructure solutions for data centers. This approach meets the current and future needs of data center providers.

The requirements profile of the data center market is changing. Growth is no longer the only focus. Digital transformation, cloudification and hybridization of IT are also the center of attention.

As a result, providers have to adapt and increase the density of their infrastructures more quickly. They need to respond to a surge in demand, diversify cloud services, automate operations, and increase cybersecurity. Likewise, data centers urgently need to become more climate-friendly and reduce power consumption.

«Real time is becoming as important as availability.»

Customers require colocation providers to make available a wide variety of infrastructures and designs for their specific applications in the post-Covid world. Rooms, racks, power and fiber optic networks must be available quickly. At the same time, the industry should make more efficient use of space and resources, reduce prices and accept higher energy costs. In addition, there is the migration to 400 and 800 Gigabit Ethernet, which requires up to four times more fibers than are present in most systems today.

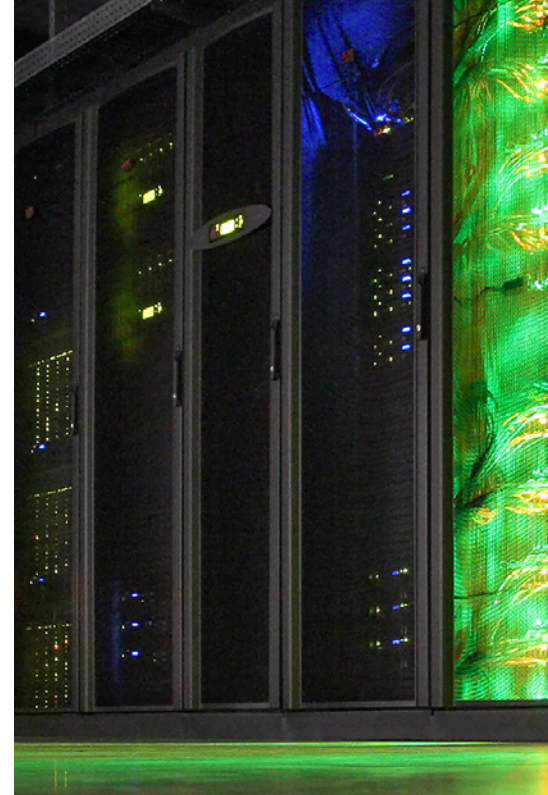
The urge to go to the edge

At the edge of the cloud, there is an enormous demand for local, concentrated, low-latency computing power. This is because customers want to reduce line costs and

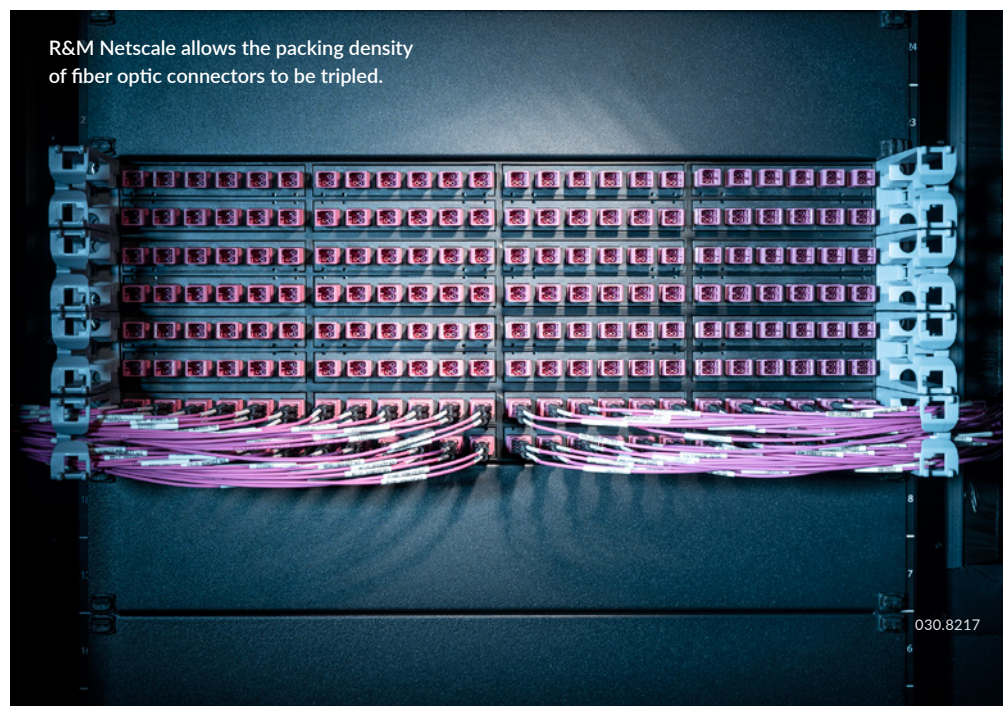
process more data on site in real time. Real time is becoming as important as availability.

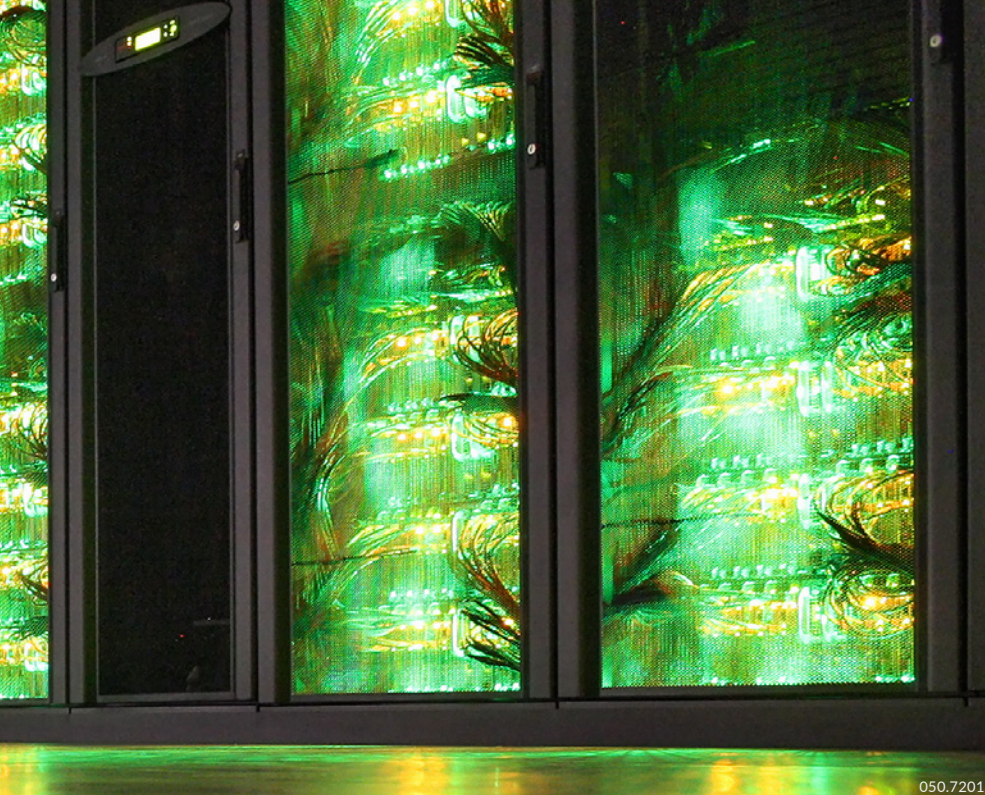
Workloads are already being dramatically shifted to edge data centers. Resources are required for smart buildings, smart city, 5G, teleworking, telemedicine, IoT, artificial intelligence, gaming and streaming. Edge data centers will only be successful if they can be connected directly to high-performance broadband networks. However, the necessary fiber optic lines still have to be built at many premises.

In this tense market environment, the R&M Data Center segment achieved a stable result in the financial year, with an almost double-digit growth rate. Outstanding projects included solutions for universities and



The BladeShelter line of Tecnosteel S.r.l., which was acquired in early 2022, was quickly added to the R&M portfolio.





Data Center market segment

Asset management is increasingly becoming a universal operations tool.



«The company's positioning as a provider for integrated data centers including its own racks was significantly expanded.»

research, healthcare and insurance providers, and solutions for industrial companies. Particularly in the Middle East and Asia, the company's positioning as a provider of integrated data centers including its own racks was significantly expanded.

More density with Netscale

The Netscale family was once again very successful. In the reporting year, R&M expanded the splice features and connectivity range of Netscale 72 and Netscale 48. The new miniature connector formats CS, SN and MDC now also fit into the panels. This allows the packing density of fiber optic connectors to be tripled.

The BladeShelter line of Tecnosteel S.r.l., which was acquired in early 2022, was quickly added to the R&M portfolio. BladeShelter also stands for a modern green data center interior. The line includes racks, housing, components for complete data center cubes as well as power, control and cooling systems. The constructions are characterized by energy-saving airflow.

Business with the DCIM software intelIPhy net also continued to develop positively. R&M presented Version 4.0 of the software at Data Centre World in Singapore in October 2022. Asset management in data center IT is now dominated by software and is increasingly becoming a universal operations tool.

Concentrated value creation

Data center providers are less and less able to take care of single parts and configurations or the coordination of subsections and installation work. R&M's business model of integrated infrastructure solutions from a single source addresses current needs. At the same time, R&M is bringing the value-added chain together under one roof. The integration expertise ranges from connectors to DCIM software and from cable management to capacity and operational management.

Engineering, supply chain, in-house sourcing, central production control and certified partners are making R&M increasingly competitive internationally. Today, R&M can supply ready-to-use infrastructures for computer rooms from Europe to Asia from a single source. Tecnosteel is expanding its connectivity portfolio with highly advanced rack, housing and cube designs for Europe and the Middle East. On the Asian market, R&M's subsidiary Durack Intelligent Electric Co. Ltd. covers the housing segment.

As an add-on, customers receive customizing, consulting, training, packaging and assembly,

quality assurance and logistics. R&M's forward-looking system approach, performance reliability and responsibility for sustainability are paramount.

Demand continues

New data centers are currently being built around the world with a total capacity of around four gigawatts. Research And Markets* predicts a «healthy pace» of investment by leading hyperscale cloud providers through 2031.

R&M is well positioned for the coming challenges. The focus is on the integrative approach and the edge data center market. The portfolio is expanded by complementary systems from partners for sensors, security, cooling, fire protection and power supply. In addition to all-in-one packages, R&M is increasingly offering pre-termination, preferred sourcing, know-how transfer and services.

The network of qualified suppliers, integrators, installation and service partners is also being expanded worldwide. Furthermore, the company's international positioning is to be expanded through increased trade show appearances and targeted online marketing.

* Source: Research and Markets

Networks for the Gigabit Era

The gigabit society is based on optical fibers. Whether broadband connections for homes or network connections for new 5G antennas – the demand for fiber optic infrastructures is accelerating on all sides.

The next generation of public networks is growing at an increasingly rapid pace. Global investments in infrastructure for the gigabit era are increasing. Essentially, these are always fiber optic networks, supplemented by cellular phone networks and 5G networks.

Significant investment programs are underway in the EU, the US, the Middle East and many emerging markets. Some of these are state-sponsored megaprojects and far-sighted full-fiber rollouts in the telecom industry. The aim is to provide an exhaustive supply of fiber optics to cities and countryside, settlements, industry and transport routes.

The consequences of the pandemic accelerated demand for bandwidth. Professionals are working more from home and need

hyper-fast, symmetric connections to remote sites. Other trends such as shared workspaces, home-schooling and gaming are increasing the demand for broadband supply on the outskirts and outside cities.

Simplifying rollouts

R&M derives its range of solutions from these trends. Above all, it is about supplying telecom providers with key components for rapid rollouts of fiber optic networks and providing them with technical support. Products that are easy to install and maintain are expected. On request, R&M supplies the distributors, terminals and fiber optic cables pre-terminated and equipped with plug-and-play connectors. This allows construction teams to move faster. New systems for aerial deployment simplify rollouts, especially in non-urban areas.



Good prospects for FTTH/5G applications: The R&M CONEXIO range was developed ready by the end of 2022.



The German market organization has designed new, partly standardized variants of turnkey PoP cabinets for FTTH networks.



«Global investments in infrastructure for the gigabit era are increasing.»

The R&M ZOONA splice closure family introduced in the reporting year is particularly noteworthy. The all-purpose outdoor splice closures for underground and above-ground installation, including aerial deployment, can be installed simply and intuitively without special tools.

The German market organization has designed new, partly standardized variants of turnkey PoP cabinets for FTTH networks. This makes it even easier for customers to plan and use these upstream technical nodes for their rollouts. Demand for cubicles, splice closures and distribution boxes is ensuring stable growth, not only on the German market. R&M achieved additional success with customer-specific further developments of the main distributor PRIME ODF.

R&M's development activities and the realized portfolio additions for fiber optic broadband networks take these new trends into account in a special way. FTTH and aerial products will ensure further organic growth for the segment.



Public Networks market segment

The R&M ZOONA splice closure introduced in the reporting year can be installed easily and intuitively without special tools.



Future with FTTA

In addition to broadband supply, two other trends demand more fiber optics at more premises: The 5G convergence of communications networks for cellular phone, Internet and fixed network data transmission and the introduction of new digital services based on 5G technology for industrial (IoT, Industry 4.0) and public, local network operators (smart cities).

The associated installation of additional small cells and their connection to fiber optic core networks requires additional infrastructure in the form of cable connections, distribution nodes and innovative connectivity.

Convergence closes the last broadband gaps. The aim is for mobile and fixed networks, 5G, FTTH, and the Internet of Things (IoT) to work together optimally. The consequences: Operators need suitable management solutions for the new, additional and diverse fiber optic infrastructures. Many stakeholders need to be taken into account when it comes to permits, construction work and installations. It makes sense to look for synergies. Projects can be coordinated and planned together, and capacities can be used together on a number of occasions.

«Convergence closes the last broadband gaps.»

R&M provides expertise and system solutions around the world with which existing and new market participants can overcome these current and regionally varying challenges. First, R&M is setting up the CONEXIO portfolio for the macro cell market. The segment implemented the development in a time- and cost-optimized manner. The plant in Bulgaria has industrialized CONEXIO production. The FTTA solutions include boxes, splice closures, cable heads, canisters, jumper cables and outdoor connectors. Further product developments for this portfolio will follow. Next on the roadmap is an optimized connectivity solution offering for small cell installations.

Partner for key projects

Demand for fast and efficient FTTH installations with pre-terminated cable assemblies and terminals is growing in Latin America, especially in Brazil, but also in the Middle East. R&M supplies FTTx projects from well-known telecom operators throughout the country and is involved as a manufacturing partner for customized outdoor cable assemblies. Multifunctional boxes for optical signal distribution complete the portfolio for these regions.

R&M also achieved initial success in the North American market (NAM). The focus is on the construction of a US-specific FTTx portfolio and its targeted marketing in selected states. Sales activities and partnerships were intensified and the portfolio expanded accordingly.

In Europe, R&M pushed ahead with business development in the financial year. The cross-border extension of fiber optic networks in the Benelux countries called for R&M's experience with key projects. Central office solutions were increasingly purchased by network operators in the Middle East.

Significant growth in a very competitive environment

The result was correspondingly positive. In the Public Networks segment, the pleasing sales trend continued with higher single-digit growth compared to the previous year.

Competitive advantage

In this accelerated investment environment, R&M is positioning itself as a global solution provider with a complete end-to-end portfolio. Thanks to its regionally oriented business model with a global, flexible production network, technical expertise, application engineering, project management, supply chain, on-site manufacturing and service, R&M has a significant competitive advantage.

On the Road to Smart Buildings

Buildings «are learning» Internet. The digitalization of building automation on the basis of the universal Internet Protocol is advancing. The aim is to have an entirely smart building. In the reporting year, R&M once again gave strong signals for key technologies.

Buildings can only behave intelligently when all automation devices communicate with each other in real time. To do so, they need a common, application-neutral language, the Internet Protocol (IP). Structured cabling in the ceiling integrates the building automation devices in a LAN. The result is All over IP (ALL-IP), the universal communication solution for a completely smart building.

ALL-IP fundamentals are innovations such as Power over Ethernet (PoE or 4PPoE), Digital Ceiling concepts and Single Pair Ethernet (SPE). Class E_A/Cat. 6_A for 10 Gbit/s Ethernet with absolutely stable performance is the minimum requirement in structured cabling in the ceiling.

Commitment pays off

When it comes to the technologies PoE and SPE, R&M is one of the driving forces in the industry. PoE reaffirmed its role as a key

technology for ALL-IP. Sales of PoE devices are growing steadily at 11% per year. That shows just how attractive the technology actually is. R&M is consistently committed to anchoring PoE as state of the art on the LAN market.

In the reporting year, R&M was the first supplier to adopt the new remote power categories and integrate them into the R&M *freenet* warranty system. For customers, this means: In the future, installations will be marked with both the transmission class (e.g. Class E_A for 10 Gbit/s) and the remote power category (e.g. RP3 for unlimited use up to 90 watts).

In addition, R&M awards products for four-pair PoE (4PPoE) with the PowerSafe quality seal. This stands for guaranteed stable, reliable connecting technology for PoE applications up to 90 watts and is valid for the entire life cycle of an installation.

New, specific products were introduced in the financial year, e.g. high-temperature installation cables and the PoE Indicator. With solutions of this kind, R&M has once again proved itself to be a recognized leader in PoE technology.

Future with SPE

Another development focus in the field of LAN is the future technology Single Pair Ethernet (SPE). In 2022, R&M fully industrialized the first continuous SPE cabling solution. The products have been commercially available in the R&M catalog since the fourth quarter.

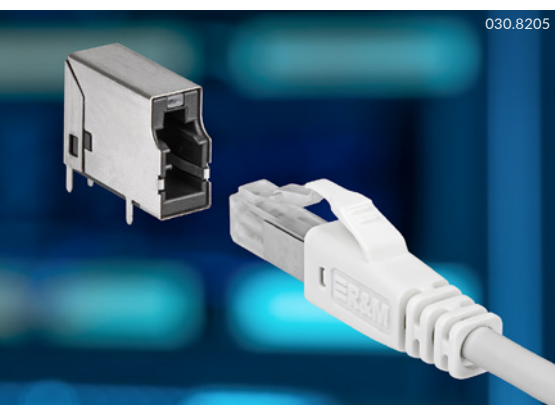
A continuous solution means that customers receive an SPE solution for the entire route from the distribution panel to the outlet, including a power cable, from a single source. In addition, there is the first SPE socket for printed circuit boards of the selected interface type. R&M supports the SPE connector format LC-Cu in accordance with IEC 63171-1. It is considered by most experts as the connector system of choice for building automation.

At the top of the market

R&M has decided to tap into the significant market potential of smart buildings and continue to invest in these technologies; corresponding resources have been built up for this purpose. Overall, R&M is at the forefront of the market in the field of smart building infrastructures. Today, R&M can offer the right ALL-IP cabling for every building. For 2023, R&M has planned to introduce its own complete smart building system, including the associated network components and management software.

Range expanded

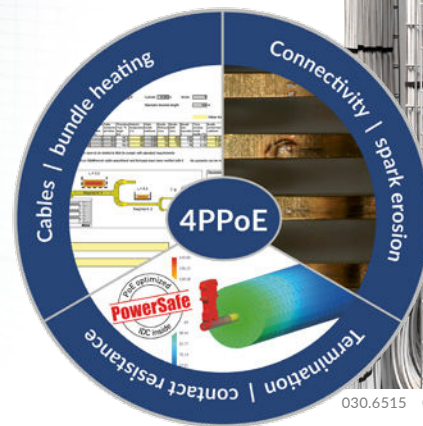
In addition, R&M has significantly expanded the LAN range. Following the integration of Tecnosteel S.r.l., which was acquired in early 2022, an in-house 19" cabinet family was developed. The variably configurable housings are suitable for use as server, switch, cabling and distribution cabinets. The main areas of application are LAN and building automation. The advantage for R&M customers: They can obtain cabinets and infrastructure from a single source.



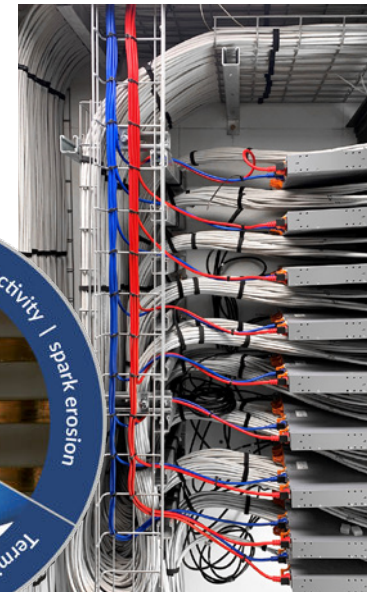
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R&M is consistently committed to anchoring PoE as state of the art on the LAN market.



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ALL-IP also extends to outdoor applications. IP devices are increasingly being used on the periphery and connected to the LAN, especially in industrial facilities. The cabling must be laid in unprotected outdoor areas. The R&M industry range was expanded accordingly in 2022. One focus is on connection outlets with protection class IP54 and IP67 and the field-mountable FM45 connector. The range of industrial installation cables has been consistently expanded.

Due to Brexit, it was necessary to certify the LAN products separately for the British market. The corresponding branding and certification procedures were completed on time by the end of 2022.

No use of plastic

The LAN division also launched new sustainability initiatives in the reporting year. The course has been set to dispense with plastic packaging for mass-produced LAN products in the future.

Volatile LAN market

The LAN market can be seen as having two parts in the 2022 financial year. In the first half of the year, development followed on seamlessly from 2021, which was characterized by strong recovery and strong growth. The market compensated for the pandemic-related drop in sales in 2020. However, the effects of the pandemic and the post-Covid boom placed a strain on supply chains and price increases were also unavoidable at R&M. Nevertheless, the order situation developed positively overall.

The market calmed down in the second half of 2022. This also eased the supply situation and previously built-up stocks were reduced throughout the entire supply chain. Overall, the LAN division still achieved single-digit sales growth in the end. Sales growth was mainly due to greater sales of installation cables. In the case of copper cabling, there is a trend towards transmission links increasing in length. This is why more cables are installed with the same number of RJ45 ports.

Scenarios for the coming years

Due to the continuing tense and uncertain global economic situation, R&M is expecting challenges and continued restraint in investment activity on the LAN market in 2023 and 2024.

On the other hand, R&M is expecting government climate protection programs to lead to a boom in building renovations with increasing demand for infrastructure solutions.

The real estate industry will have to address sustainability in depth. From R&M's point of view, there is no other way around this. Owners and building managers must operate their properties intelligently, efficiently and automatically – not only to minimize greenhouse gas emissions and conserve resources. The aim is to reduce costs and counteract the shortage of expert personnel. ALL-IP with high-performance copper cabling down to the very last corner of a property is the path that has to be followed.

Housing and infrastructure from a single source: R&M LAN and server cabinets from the company's own plant in Brunello.



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Sustainability

Becomes Transparent

R&M embodies strategically documented, holistic sustainability in its day-to-day operations. In the reporting year, R&M achieved the first targets on the newly created roadmap. The EcoVadis Silver certificate confirms the progress.

As a family company, R&M has always acted sustainably. However, global developments explicitly call for thinking far beyond one's own company. Customers are increasingly focusing on environmental and climate issues. Sustainability is becoming jointly responsible for the values and success of companies. This is why R&M strategically documented and significantly expanded its sustainability strategy in 2021, based on the values and principles of the family-owned company.

The Executive Board defined substantial targets for the entire Group with a commitment to implement them within a reasonable period of time, continuously optimize them and provide the appropriate resources. R&M is guided by the 17 UN Sustainable Development Goals. In the reporting year, R&M joined the UN Global Compact, a pact between companies and the UN that makes globalization more social and ecological based on ten principles.

The four main areas of action



Scientific basis

R&M derives operational measures, indicators and targets from guidelines issued by UN, certification and business organizations. In the reporting year, for example, R&M undertook to follow the rules of the Science Based Targets Initiative (SBTi). This means that progress in sustainability is measured using scientifically recognized methods.

A team headed up by the Executive Board is responsible for recording, documenting, analyzing and communicating sustainability in a standardized manner across departments and locations. In the reporting year, the team consolidated the matrix of key performance indicators and announced it Group-wide.

Ambitious roadmap

The Sustainability Roadmap 2030 drawn up and published for the first time in the financial year sets the course. The ambitious catalog of measures and objectives covers four fields of activity:

In the reporting year, R&M defined 13 main measures and eight indicators for the protection of the environment and the Earth's atmosphere. R&M wants to halve its greenhouse gas emissions by 2030.

R&M has the myclimate Foundation in Zurich determine the climate-relevant emissions of its 14 plants. This is the first occurrence of external and scientifically based CO₂ accounting in the company. Basic data and standard measured values are available for two areas of influence of CO₂ emissions, Scope 1 and Scope 2.

R&M uses other indicators to measure energy, packaging and waste intensity, environmentally relevant accidents and the degree of coverage of ISO 14001 certification. More than 90% of R&M plants are certified accordingly. Main measures and indicators have also been defined for the action areas of employees, social affairs, ethics and the supply chain. All strategic suppliers must undergo an annual assessment.

Transparent reporting

R&M makes its sustainability strategy transparent with a roadmap, a catalog of measures and objectives as well as indicators. Reporting was restructured in the business year and firmly established as a business process in corporate communications. Stakeholders can find relevant documents on the website, such as the annual Sustainability Report and the new Roadmap.



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«Corporate responsibility cannot be limited to the operative sphere of influence. Every business activity has far-reaching consequences. We follow these on the basis of clear indicators and guidelines in order to positively influence them in line with the UN Sustainable Development Goals.»

Michel Riva, CEO

Silver award

R&M continuously participates in internationally recognized assessments. The rating agency EcoVadis evaluates annually on the basis of neutral ESG standards as part of industry scoring. In the most recent rating, R&M scored better than in the previous year. According to the EcoVadis evaluation, R&M has made particularly strong improvements in the fields of ethically impeccable conduct, education, equal rights, labor and human rights, and sustainability in the supply chain and is well above the industry average overall. It goes without saying that it is the aim to further improve this value in the future.





-  R&M Headquarters
-  R&M Manufacturing
-  R&M Sales Offices

North America



Elkridge, MD, USA



Milpitas, CA, USA

South America

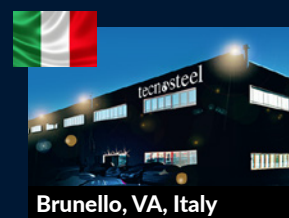


Santa Rita do Sapucaí,
Minas Gerais, Brazil

Europe



Wetzikon, Switzerland



Brunello, VA, Italy



Wehnrath, Germany



Děčín, Czech Republic

Committed on every continent



 Middle East

 Asia



Warsaw, Poland



Riyadh, KSA



Bangalore, India



Pinghu, Shanghai, China



Sofia, Bulgaria



Dubai, UAE

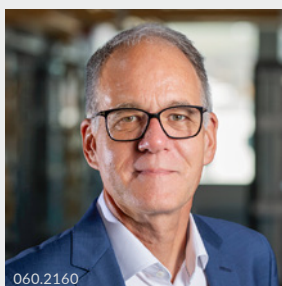


Jinshan, Shanghai, China

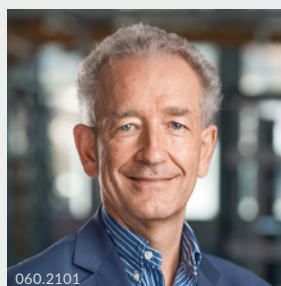


Members of the Board of Directors

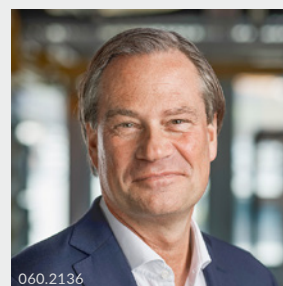
With a change of generation at the head of the Board of Directors, R&M further strengthened its industrial competence in the reporting year. As Chair, Thomas A. Ernst steers the strategic development of the Group together with four select senior experts. They are engaged in both Swiss and international enterprises. Their special fields include international management and company management, strategy development, marketing, engineering, finance and controlling as well as sustainability. They all have expertise in the technology side of building technology, ICT and network infrastructure.



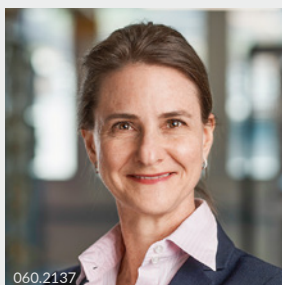
Thomas A. Ernst, Chairman
Chairman of the BoD at Gruner AG and Regent Belechtungskörper AG



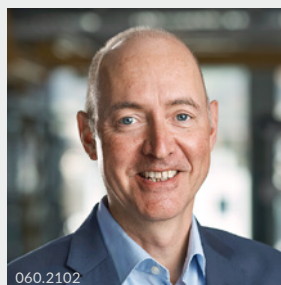
Adrian Bult
Professional BoD Member, Chair of the BoD at Swisgrid AG



Dr. Carsten Liesener
CEO EMEA Smart Infrastructure Siemens AG



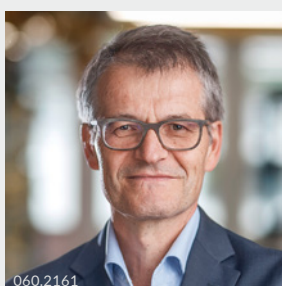
Susanne Seitz
Global Head of Sales, Siemens Smart Infrastructure



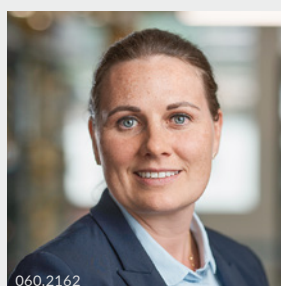
Andreas Spreiter
Member of the BoD and Chair of Audit & Finance Committee Landis+Gyr Group AG

Members of the Executive Board

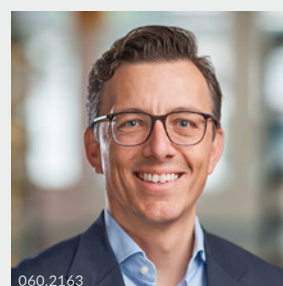
A value-oriented management, committed to sustainability, characterizes the Executive Board of the R&M Group. Management responsibility lies in the hands of a five-member Executive Board. International experience, professional expertise, leadership quality, transparency and passion for R&M characterize the members of the Board. The team works with proven lean and agile management methods, supported by digital management tools installed throughout the Group and a global planning and production management system.



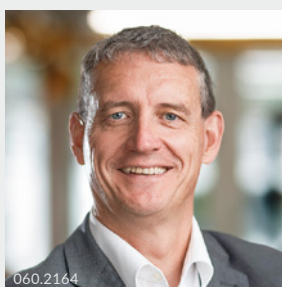
Michel Riva, CEO
CEO at R&M since 2012



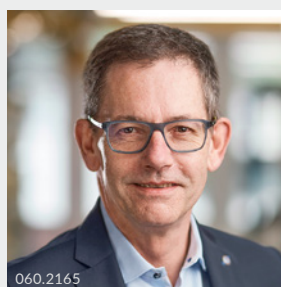
Martina Dimmler, CFO
CFO at R&M since November 2022



Robert Merki, CTO
CTO at R&M since November 2020



Andreas Rüsseler, CMO
CMO at R&M since 2012



Markus Stieger-Bircher, COO
At R&M since 2006, COO since 2011



Peter Reichle, Martin Reichle

On the Right Track

Once again, we can look back on a special year. Companies such as R&M are currently facing major challenges all over the world. In such times, our company cuts a particularly convincing figure with its straight-line path of sustainable growth. R&M remains true to itself, based on proven strengths and balanced, forward-looking actions.

Anyone who had expected the global economy to recover swiftly after the pandemic was proved wrong. China, one of our most important sales markets in Asia, had to cope with further severe lockdowns and supply bottlenecks in 2022. In Europe, the situation escalated mainly due to the horrific war and the critical power supply situation. It is no longer possible to plan in the same measure as in previous years. This makes it much harder for many companies to be economically successful.

R&M is holding up remarkably well, even in this environment. The Group also closed the past financial year above plan with a good growth rate. The markets are constantly

developing. Further investments are being made in broadband supply and mobile expansion, data centers and building networks to enable digitalization.

However, some underlying conditions are changing. The network and data industries are looking for partners who offer technologies and expertise from a single source: Partners who take care of the details of the planning, installation and maintenance of infrastructures. R&M has recognized this demand and is competently involved in all business areas as a provider of all-in-one solutions. The acquisition of the Italian company Tecnosteel S.r.l. in early 2022 will contribute to this.

This enables R&M to act independently and flexibly and to largely manage sustainability itself within the meaning of the UN Global Compact and deliver corresponding results. Today, this is the ideal approach for the balanced and globally oriented business model of our value-conscious family company.

Confident management

The high management quality of our company guarantees that R&M will maintain its orientation in the very volatile market situation. We would like to take this opportunity to express our special thanks to Michel Riva, who has led R&M responsibly and prudently as CEO for ten years. He has the right feeling for markets, trends and corporate development. Over the past ten years, he has made a decisive contribution to R&M's growth. Under his aegis, R&M is now generating CHF 100 million more annual sales than ten years ago.

Our former Chairman of the Board of Directors, Hans Hess, also deserves great recognition. He led R&M together with the management team for 15 years before retiring at the end of October 2022. We owe the successful generational change of owners, global expansion and clear orientation towards sustainable growth to his strategic foresight. We are delighted to have Thomas A. Ernst, an expert and industry insider, as his successor as Chairman of the Board of Directors of R&M. This change was planned at an early stage and reflects our long-term business activities.

It goes without saying that we would also like to thank our business partners and our dedicated employees at all our sites, who work reliably and loyally for the well-being and success of our company.

Thank you for your loyalty.

Martin and Peter Reichle
Owners

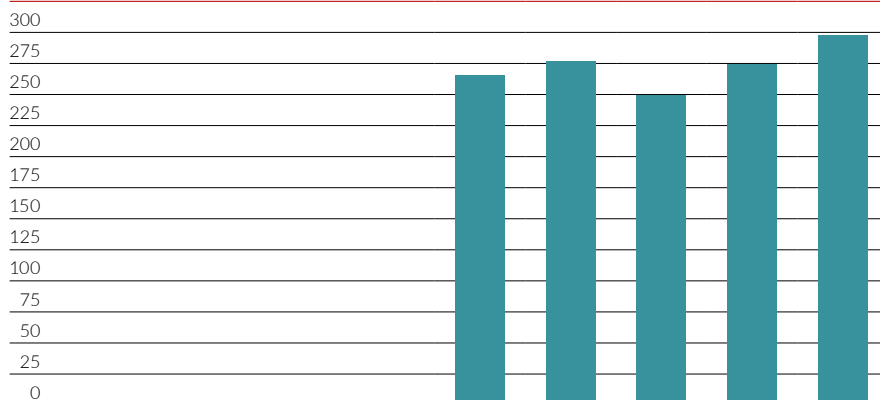
Key Figures

2018 2019 2020 2021 2022

Sales

in millions of CHF, consolidated

265.1 276.7 249.5 274.2 297.9



Growth

compared with the previous year

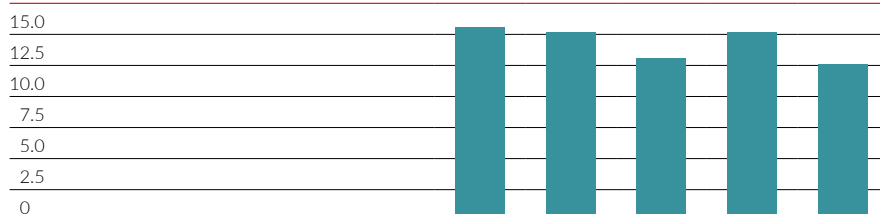
14.2% 4.4%⁽¹⁾ -9.8%⁽²⁾ 9.9%⁽³⁾ 8.6%⁽⁴⁾

(exchange-rate-adjusted: ⁽¹⁾+6.8%, ⁽²⁾-4.9%, ⁽³⁾+10.6%, ⁽⁴⁾+12.6%)

EBIT

in millions of CHF, consolidated

15.6 15.2 13.1 15.2 12.6



as a % of sales

5.9% 5.5% 5.2% 5.5% 4.2%

International Sales Revenue

Revenue generated outside of Switzerland was 82% of total sales.

Development Expenditure

Average development expenditure over the last 5 years: 3.2% of sales, generated by 4% of employees.

Innovative Capacity

17% of the revenue was generated with products less than three years old.

Number of Employees

FTE as of December 31, 2022: total 1,700 (incl. temporary employees)



The newly developed CONEXIO line contains everything you need for the fiber optic and electrical connection of 5G and 4G radio units.

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www.rdm.com/blog/



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