

A woman in a black t-shirt with the '+GF+' logo, blue pants, a blue surgical mask, and white gloves is working on a large, dark grey metal component in a factory. She is looking intently at the part. In the background, another worker wearing a blue surgical mask is also working on a similar component. The factory environment is filled with industrial machinery and overhead lighting. The text 'Steady on course, ready for the future' is overlaid on the bottom half of the image in white font on a green background.

**Steady on course,
ready for the
future**

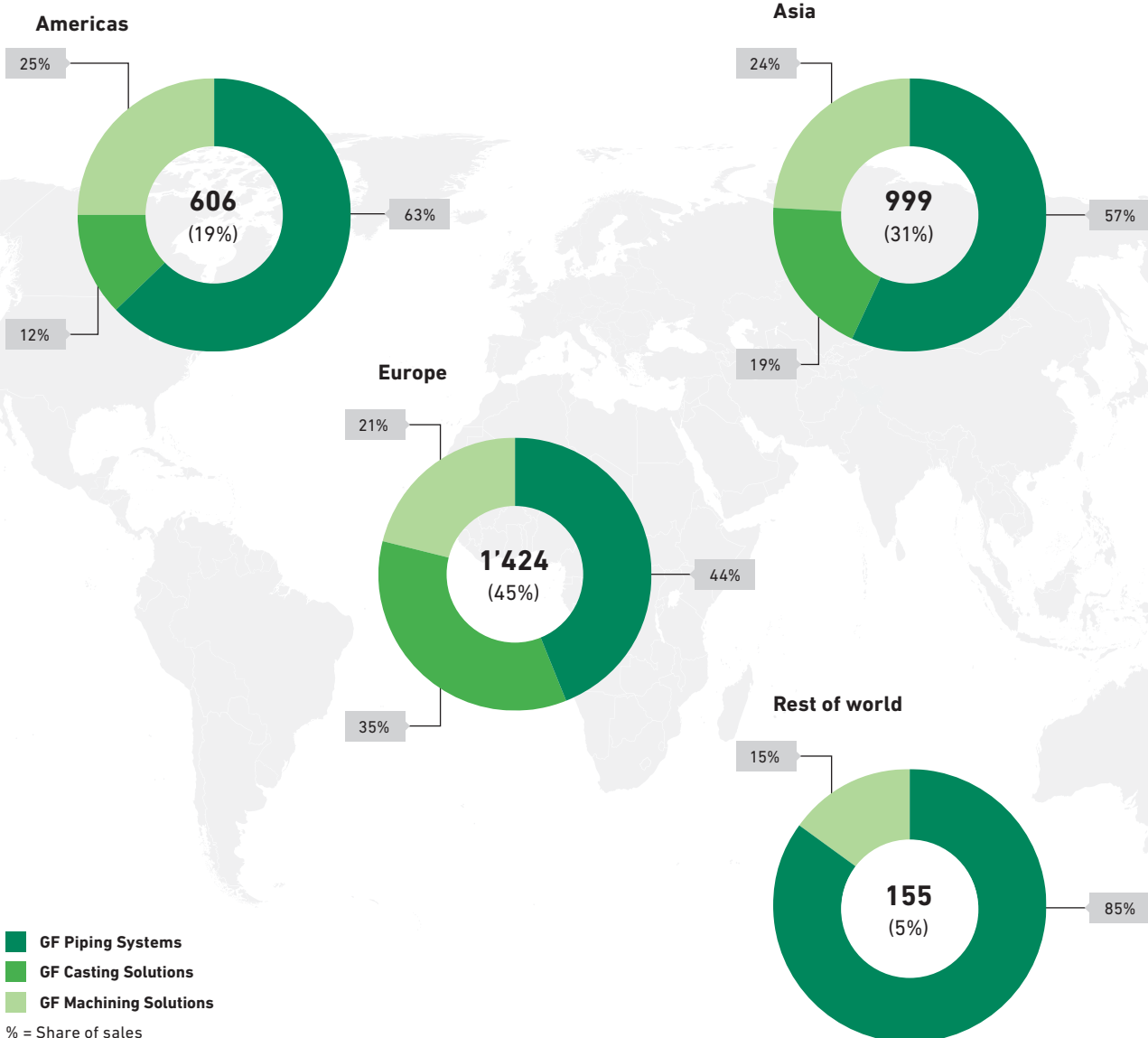
At a glance

GF's key figures 2020

GF comprises three divisions: GF Piping Systems, GF Casting Solutions, and GF Machining Solutions. Founded in 1802, the Corporation is headquartered in Switzerland and present in 34 countries with 137 companies, 59 of them production facilities. GF's 14'118 employees generated sales of CHF 3'184 million in 2020. GF is the preferred partner of its customers for the safe transport of liquids and gases, lightweight casting components, and high-precision manufacturing technologies.

Sales per region

in CHF million



GF Piping Systems

As the leading flow solutions provider for the safe and sustainable transport of fluids, GF Piping Systems creates connections for life. The division focuses on system solutions and high-quality plastic and metal components for a diverse installed base.

GF Casting Solutions

GF Casting Solutions is one of the leading solution providers of lightweight components in the mobility and energy industries. As a future-oriented company, GF Casting Solutions acts as a driving force for innovation in the foundry and additive manufacturing world.

GF Machining Solutions

GF Machining Solutions is one of the world's leading providers of complete solutions for the tool and mold making industry and manufacturers of precision components. The portfolio includes milling and EDM machines as well as digitalized solutions.

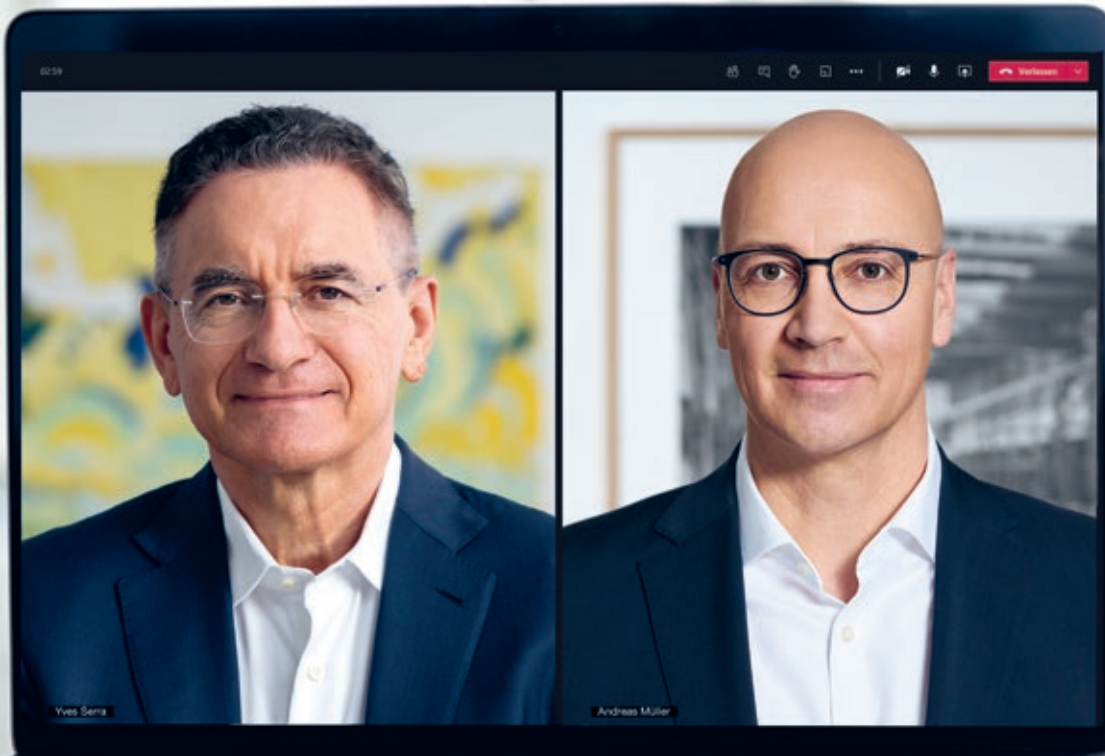
Key figures

	Corporation		GF Piping Systems		GF Casting Solutions		GF Machining Solutions	
CHF million	2020	2019	2020	2019	2020	2019	2020	2019
Order intake	3'160	3'692	1'716	1'788	740	953	706	954
Orders on hand at year-end	514	563	116	119	251	267	147	177
Sales	3'184	3'720	1'708	1'802	752	949	725	972
Sales growth %	-14.4	-18.6	-5.2	-1.0	-20.8	-43.7	-25.4	-8.8
Organic growth %	-8.4	-4.1	0.3	1.3	-11.9	-9.7	-21.6	-7.5
EBITDA	299	374	245	264	26	48	34	71
EBIT before one-offs	185	281	193	214	-15	22	20	57
One-offs	19	46			19	46		
EBIT	166	235	193	214	-34	-24	20	57
Net profit shareholders GF	116	173						
Free cash flow before acquisitions/divestments	230	137						
Return on sales before one-offs (EBIT margin before one-offs) %	5.8	7.6	11.3	11.9	-2.0	2.3	2.8	5.9
Return on sales (EBIT margin) %	5.2	6.3	11.3	11.9	-4.5	-2.5	2.8	5.9
Invested capital (IC)	1'313	1'473	593	676	448	477	197	256
Return on invested capital (ROIC) %	9.3	12.4	24.2	26.1	-5.7	-4.4	7.8	18.4
Number of employees	14'118	14'678	6'893	6'892	3'919	4'336	3'192	3'358

GF uses certain key figures to measure its performance that are not defined by Swiss GAAP FER. As these key figures are not defined by Swiss GAAP FER, there might be limited comparability to similar figures presented by other companies. Find out more about the key figures at www.georgfischer.com/en/investors/alternative-performance-measures.html

Letter to the shareholders

Good performance in challenging times



COVID-19-secure conferencing became established throughout the GF Corporation within a short period of time in March 2020.

Dear shareholders,

2020 has brought about an unprecedented level of uncertainty, with a raging global pandemic that also worsened the already challenging economic environment. People, societies and companies were required to re-invent the way they live and do business – GF was no exception. While the COVID-19 pandemic is still disrupting daily life across the world, GF can count on its strategic positioning, financial stability and innovation focus to overcome the crisis.

Against this rapidly shifting backdrop, the commitment and determination of our employees has been a key success factor. They showed perseverance, dedication, teamwork, as well as a willingness to be there for our customers even in difficult times. All our employees – whether in production, logistics or in their offices – have quickly adapted to the new situation. With great agility, they adjusted to more challenging working

conditions and new digital tools. This deserves our utmost gratitude and recognition. Our thanks also go to our customers, who are breaking new ground in the way they interact and communicate, together with us.

GF reported a clearly stronger performance in the second half of 2020, compared with the first half and in spite of the fact that some of the challenges of the previous year

persisted. Among these were the trade tensions between the US and China and more political turmoil, including in the US and Europe, as well as the ongoing transformation of the automotive industry. GF reacted quickly to the new risk landscape, diversifying activities and further increasing its resilience.

GF sales in 2020 amounted to CHF 3'184 million (2019: CHF 3'720 million). The difference when compared with the previous year mostly reflects the impact of the continued tightening of COVID-19 restrictions in many countries around the world. Organically, sales decreased by 8.4%, despite a resilient piping market and the recovery of the global automotive market in the second half of the year. Negative currency effects weighed heavily on sales, with an impact of more than CHF 170 million. GF Piping Systems was mostly affected (CHF 103 million).

The operating result (EBIT) before one-off items amounted to CHF 185 million (2019: CHF 281 million) and the reported EBIT was CHF 166 million (2019: CHF 235 million). The corresponding EBIT margins were 5.8% (2019: 7.6%) and 5.2% (2019: 6.3%). The one-off items in 2020 of CHF 19 million (2019: CHF 46 million) are exclusively related to the partial relocation of a foundry in Werdohl (Germany), which is mostly finished at year-end. In 2020, the EBIT before one-off items and the reported EBIT included the gain from the sale of a building by GF Machining Solutions of CHF 10 million.

The return on invested capital (ROIC) reached 9.3%, with a remarkable 24.2% achieved at GF Piping Systems. At the end of 2020, GF employed 14'118 people, compared with 14'678 employees at year-end 2019, with the largest change occurring in GF Casting Solutions as a consequence of the strategic transformation of the division.

In 2020, GF secured liquidity through both its global business activities and financing transactions, resulting in a high level of liquidity and a low net debt ratio below 0.5 at the end of the year. GF also reported a strong balance sheet, with a solid equity ratio of 40%.

Net profit attributable to shareholders amounted to CHF 116 million (2019: CHF 173 million). Free cash flow before acquisitions reached a very strong level at CHF 230 million, CHF 93 million above last year's result. Earnings per share were CHF 28 (2019: CHF 42). At the upcoming Annual Shareholders' Meeting, the Board of Directors will propose a dividend per share of CHF 15 (2019: CHF 25 per share), also in light of the strong free cash flow and the good position of GF in its markets.

GF is continuously shifting its focus on less cyclical market segments, thus increasing its resilience to economic fluctuations. All three divisions address needs stemming from global mega-trends, such as having enough clean water to cater to a growing global population, lighter car

components to reduce carbon emissions, or high precision parts to reduce energy consumption.

GF Piping Systems

As a leading flow solutions provider enabling safe and sustainable transport of fluids, GF Piping Systems was able to maintain operations at a high level also during the COVID-19 pandemic, as most of the division's sites were declared essential businesses. The ongoing focus on higher value businesses and digitalized solutions, together with a broad customer base in diversified market segments, have further increased the division's resilience. Sales at GF Piping Systems amounted to CHF 1'708 million, a reduction of CHF 94 million compared with the previous year. Adjusted for the negative currency effects of CHF 103 million, organic growth was positive at 0.3%. EBIT was CHF 193 million, compared with CHF 214 million in the previous year. EBIT margin came in at a strong 11.3%, slightly below last year's EBIT margin of 11.9%.

GF can count on its strategic positioning, financial stability and innovation focus to overcome the crisis.

Sales of the division's customized solutions, data center as well as its microelectronic segments remained strong globally. Sales were also strong in Asia, in particular China, Korea and Japan, while in the Americas, sales were impacted by the low activity in the utility business.

GF Piping Systems continued to build on its strategy to expand its global presence. Another promising step into the large South American market is the acquisition of the leading piping systems manufacturer FGS Brasil Indústria e Comércio Ltda. (FGS), based in Cajamar (Brazil).

With two production sites now in the country and an already existing partnership, GF Piping Systems can benefit not only from the government initiative to improve water and gas distribution across Brazil, but also from growth opportunities in neighboring markets.

GF Casting Solutions

2020 saw GF Casting Solutions become a true global player, with an international production footprint, and a focus on lightweight components as part of the division's increasingly important role in the area of sustainable mobility.

The performance of GF Casting Solutions was impacted, however, by several lockdowns during the pandemic, which led to a slump in orders in both the automotive and the aerospace business. During the first pandemic peak in early 2020, the division faced a complete production standstill lasting several weeks.

On the other hand, the ongoing transformation of the automotive industry to hybrid and e-vehicles supported the business, together with other structural and operational measures that were quickly implemented. Orders for hybrid and e-vehicles reached 32% of total orders, a clear reflection of GF Casting Solutions' competence in this area. Orders in the last quarter of 2020 increased rapidly, an indication of the recovery of the business.

Sales were down by 11.9% (organically) to CHF 752 million from CHF 949 million in the previous year. The significant reduction of the business led to a negative EBIT before one-off-items of CHF –15 million (2019: CHF 22 million) and a negative reported EBIT of CHF –34 million (2019: CHF –24 million). The relocation of the casting site in Werdohl (Germany) was mostly finished at year-end and the related one-off items amounted to CHF 19 million (2019: CHF 37 million). The ramp-up of the new light metal foundry in Mills River (US) was negatively affected by the lockdown measures. With the construction of the new light metal foundry in Shenyang (China), GF Casting Solutions is clearly expected to benefit from the positive development of the Chinese automotive market, especially in light of the growing hybrid and e-vehicle demand. The construction is proceeding according to schedule, with the start of production foreseen for 2022. The division also already won its first orders for this site.

Sustainability is a concrete opportunity to reshape our industry and drive profitable growth.

GF Machining Solutions

The 2020 global machine tool business was hit by the general downturn in the capital goods market, which began in the second half of 2019 and further deteriorated with the COVID-19 impact. In 2020, the demand for machine tools sank to a minimum in Europe, as well as in several markets in the Americas. Most of the orders from the aerospace sector were postponed, and new orders remained at a very low level. The attractiveness of this market segment clearly remains high from a long-term perspective.

The second semester of 2020 showed signs of recovery, especially in China, with an increase in orders after the lockdown was lifted. Projects in Europe increased in the last quarter of 2020, leading to higher order intakes than in the previous quarters.

Sales dropped to CHF 725 million, a decrease of 25% compared with the previous year. Taking into account the negative foreign currency impacts of CHF 36 million, the organic decline was 22%. The lower sales also affected the operating result, which stood at CHF 20 million (2019: CHF 57 million), resulting in an EBIT margin of 2.8%, compared with 5.9% in 2019. Included in the operating result is the gain from the sale of a building in Switzerland of CHF 10 million. Med-tech and ICT remained relatively stable, while other segments lagged behind the levels of the previous year to a larger extent. With a growing backlog and increasing demand in important markets such as Germany and China, GF Machining Solutions showed clear signs of recovery in the last quarter of 2020.

Strategy 2016–2020 cycle ends

GF withstood the impact of COVID-19 thanks to its successful multi-year portfolio transformation and solid financing situation. GF Piping Systems now accounts for more than a half of GF's sales. In the course of the last strategy cycle (2016–2020), several acquisitions and partnerships in all divisions, but in particular the strategic transformation of GF Casting Solutions, increased the resilience of the business portfolio. In line with the strategic targets, GF also reduced its dependency on the European market to a share of less than 50% of sales and improved its customer-centric innovation approach. GF ended the strategy cycle with a strong rebound in China for all three divisions and an outstanding contribution of GF Piping Systems. The Corporation is well positioned to benefit from positive long-term market trends. We also see positive momentum for sustainability-driven segments and durable applications, such as safe water distribution, lightweight structural parts for passenger cars, and laser technologies replacing, for example, harmful chemical solutions.

Strategy 2025 to accelerate profitable growth with sustainable innovations

The Strategy 2025 will build on the promising path pursued over the last five years and will address profitable growth, portfolio resilience, and a "go for the full potential" spirit within the corporation, in line with GF's overall strategic objective to grow through superior customer value. These are GF's **strategic focus areas**:

- **Drive profitable growth** through intelligent and sustainable solutions: Accelerate product/solution development through more focus, firm resource commitments, and effective collaboration with customers and business partners. With our intelligent solutions, we will address the pain points and, in particular, the sustainability needs

of our customers in a comprehensive way. For example, GF Piping Systems will develop automated flow solutions to reduce non-revenue water or enable safe hygiene processes; GF Casting Solutions will design and produce complex lightweight casting components; GF Machining Solutions will focus on intelligent multi-technology process integration to serve the demanding automation and precision needs of tomorrow.

■ **Increase robustness** through portfolio additions and operational excellence: Intense focus on resilient segments such as water treatment, data centers, hybrid/electric vehicles, medical devices, and more.

■ **Evolve into a performance and learning culture:** To shift towards a more “performance” and “learning”-driven mind-set. Agility and adaptability become a prerequisite for success in a rapidly changing world. Dedicated programs will support this important cultural shift.

In terms of financial targets, the strategic ambition is to achieve **sales of CHF 4.4 (organic) to 5 billion (incl. acquisitions) with an EBIT margin of 9–11% and a return on invested capital (ROIC) of 20–22%** by 2025. The share of GF Piping Systems will remain at least 50% and GF will continue to invest predominantly in growth markets.

GF is well positioned to continue its recovery trend in 2021, building on the positive momentum of the last quarter of 2020.

A more sustainable future

At GF, we believe that sustainability is not just about doing the right thing. It is a concrete opportunity to reshape our industry and drive profitable growth. That is why GF is set to become a leader in the sustainability and innovation fields in its business, and use its products and solutions to support clients on their own journeys. For example, GF’s lightweight components enable the automotive industry to reduce carbon emissions while increasing energy efficiency; GF’s piping systems mitigate water losses. The company’s efforts were also recognized externally. In 2020, a leading newspaper ranked GF as one of the ten most sustainable companies worldwide. The rating, based on the examination of 5’500 companies, considers aspects such as business model and innovation, social and human capital, and the environment. GF scored high in the human capital dimension.

The successful rating underscores GF’s efforts to meet its Sustainability Targets 2020. Sustainability is an integrated key pillar of our new strategy cycle. To better embed sustainability into our management, we formed a new Sustainability Committee within our Board of Directors, strengthening our Environmental, Social and Corporate Governance (ESG) focus at the highest company level.

2021 Outlook

GF is well positioned to continue its recovery trend in 2021, building on the positive momentum of the last quarter of 2020. The current year already saw a good order intake and a promising rebound in key markets, especially in China. Despite the persistent uncertainty due to the COVID-19 pandemic, we expect sales growth in the mid to high single digits, as well as an increase in profitability, barring unforeseen circumstances and provided the stringent lockdown measures across the world will be relaxed in the course of the first half of 2021.

Changes in the Executive Committee

As of 1 July 2020, Ivan Filisetti, an executive with a long and successful track record at GF, succeeded Pascal Boillat at the helm of GF Machining Solutions when Pascal Boillat retired after eight years in the position. We would like to thank Pascal Boillat for his outstanding contributions to GF and wish him all the best for the future.

Together for success

At GF, we believe that collaboration is key to achieving success. That is why we would like to thank our customers for their trust, their enthusiasm for finding solutions together, and their positive spirit of collaboration. Our heartfelt thanks also go to our shareholders for placing their trust in us.



Yves Serra
Chairman of the Board
of Directors



Andreas Müller
CEO

Success Story

Clarity on carbon footprint seals the deal in Finland



GF supplies HSY with polyethylene (PE) piping fittings for its water network maintenance and upgrade program.

Finland is a world leader in sustainability. The commitment to the environment is reflected in the business approach of the Helsinki Region Environmental Services Authority HSY. The municipal body supplies drinking water as well as wastewater treatment for the Finnish capital, and maintains the area's water piping network.

“I hope the cooperation with GF Piping Systems will even increase.”

Hannu Toivonen, HSY Procurement Specialist

With its focus on eco-optimized design across its entire product range, GF Piping Systems also has sustainability in its DNA. In June 2020, both partners signed a three-year “preferred partner” agreement, under which GF Piping Systems will supply HSY with polyethylene (PE) piping fittings for its water network maintenance and upgrade

program. GF Piping Systems was the only bidder to meet HSY's challenging requirement to provide a comprehensive breakdown of CO₂ emissions generated during the entire manufacturing and supply process.

HSY Procurement Specialist Hannu Toivonen says “GF's support so far has been of high quality. We chose GF's products because of their ease of installation, and because of GF's ability to reliably document its carbon footprint.”

Hannu Vihervaara, GF Piping Systems' Head of Sales (Finland), welcomes the relationship: “It's great to work with professionals who are always interested in new solutions.” Hannu Toivonen shares that confidence: “I see the cooperation continuing at the same good level in future. In fact, I hope it will even increase.”



Read the full story and watch the video at annual-report.georgfischer.com

Success Story

Building on a sustainable partnership

Electric cars are gaining momentum. To capture future opportunities, Volvo Cars is manufacturing its best-selling models, such as the XC60 and the XC90, as fully electric vehicles. The company has also announced that by 2025, fully electric vehicles will account for 50% of its total sales. This commitment is supported by GF Casting Solutions – Volvo Cars’ exclusive global partner for developing lightweight structural parts. With its advanced high-pressure die casting technologies, GF can directly help Volvo reduce car body weight.

“GF and Volvo Cars, both are very focused on quality and sustainability.”

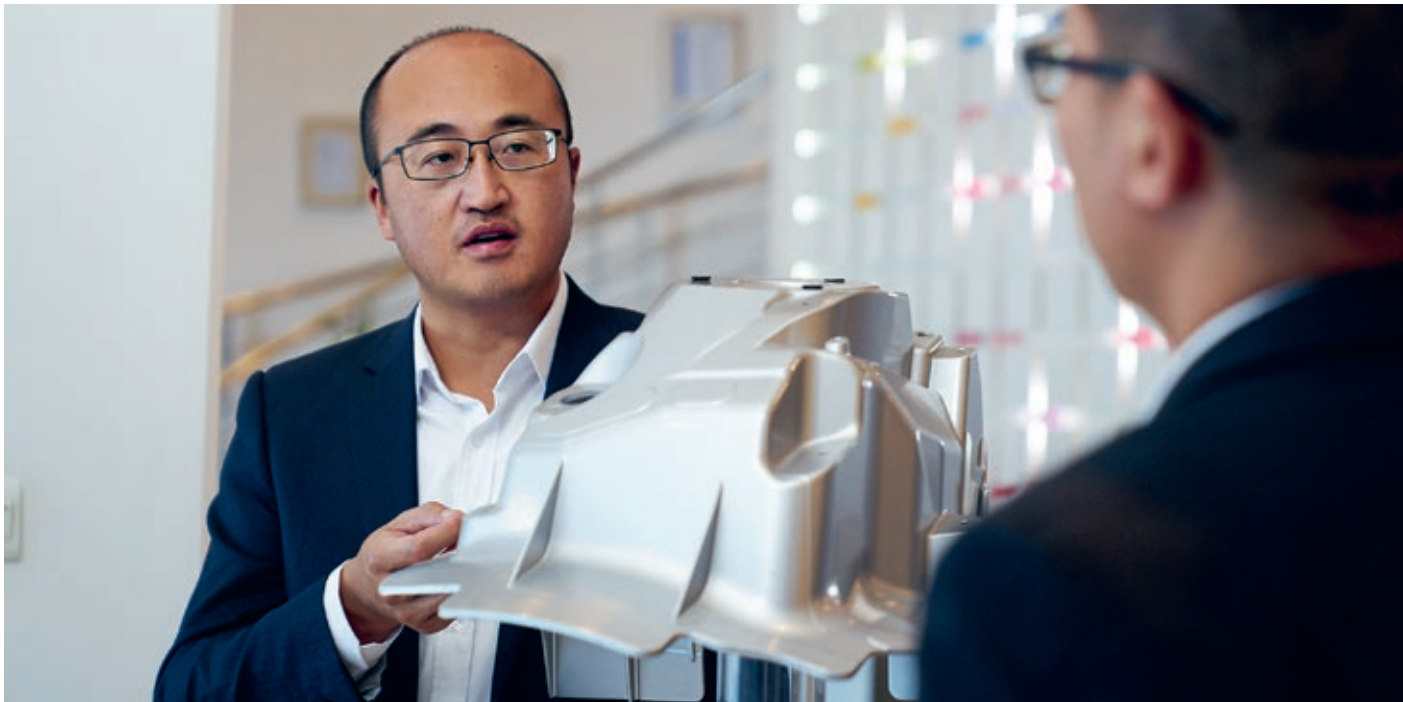
Aaron Zhou, Senior Supplier Quality Management Engineer at Volvo Cars China

The collaboration started in 2015, when GF began to make frontal shock towers for the S90 and V90 models; and later, the project was expanded to the XC60 and S60 models. “Since 2015, the partnership with Volvo has grown steadily,” says Azim Sood, global Key Account Manager for Volvo Cars at GF Casting Solutions. In his opinion, GF is one of Volvo Cars’ preferred partners because of its experience, stability, and global footprint. “Wherever Volvo produces its cars, we have one or more die casting plants in that region.”

As GF and Volvo work on the functional integration of several parts, the two companies are also exploring opportunities to collaborate in more projects, including a new design for several structural parts. Aaron Zhou, Senior Supplier Quality Management Engineer at Volvo Cars China, is confident about the collaboration: “Since Volvo started to localize manufacturing in China, we’ve had a very satisfying partnership with GF.”



Read the full story and watch the video at annual-report.georgfischer.com



Volvo has become an important customer for GF Casting Solutions’ Suzhou plant since the car manufacturer started to produce its models XC60 and S60 in China for the local market.

Success Story

Molding the future



Compared with older processes, Matt Melonio's Providence Texture does not require chemicals. The GF lasers' environmental footprint is much smaller.

Providence Texture is a laser service company based in Smithfield, RI (USA), 90 kilometers southwest of Boston. The North American job shop machines parts so intricate and precise that only a handful of companies worldwide can keep up.

CEO and founder Matt Melonio wanted to explore new opportunities that were difficult to seize with traditional processes. Compared with chemical texturing methods, which require the use and disposal of non-environmental friendly chemicals, laser technology is safer for employees and not harmful to the environment.

Melonio's business plan was to break into the medical and aerospace markets. In September 2016, Providence Texture purchased three AgieCharmilles Laser P series. Melonio chose GF Machining Solutions because of its product quality and versatility, but also because he knew he could count on a good collaboration. "It is about them standing behind their equipment and supporting the companies that build their business using that equipment," says Melonio. His company is already taking steps towards the future, with a keen interest in moving forward with a Microlution ML-5. "Advanced manufactu-

"GF Machining Solutions' lasers are energy-efficient, with the operational cost in the range of a large home appliance."

Matt Melonio, CEO of Providence Texture

ring is special. Every customer requires an evolving mind-set, and Matt absolutely takes those necessary leaps from a business standpoint to grow and adapt and move with technology. We're excited to see how he will grow from this technology," says Lindsay Lewis, Head of Sales at GF Machining Solutions Advanced Manufacturing North America.



Read the full story and watch the video at [annual-report.georgfischer.com](https://www.georgfischer.com/annual-report)

Sustainability at GF

Sustainability at the heart of GF's business

Sustainability is a long-standing part of GF's culture and business. 58% of GF's products or solutions enable a social or environmental benefit, thus helping customers all over the world to move towards a more sustainable future.

GF Piping Systems ensures that less water is lost as it travels from source to household taps. GF Casting Solutions develops new lightweight components making mobility more energy efficient. GF Machining Solutions and its smart technologies offer customers a more efficient use of resources by reducing consumption materials and energy.

Sustainability program management

A Sustainability Committee, a sub-committee of the Board of Directors was established in 2020 to provide strategic direction on critical sustainability issues. The Sustainability Committee, chaired by the Chairman of GF, adopted a charter to regulate its activities.

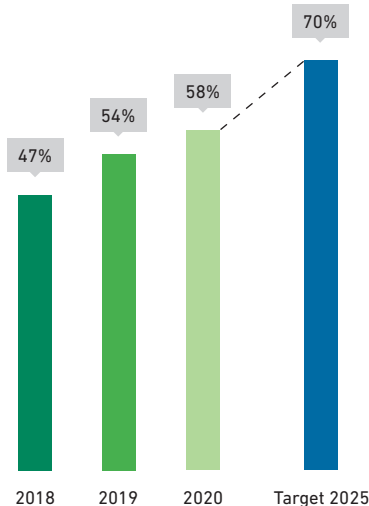
The sustainability strategy, integrated in GF's Strategy 2025, was approved. It consists of nine targets focusing on GF's product portfolio, climate and resources, and people and well-being topics.



A sustainable partnership: SwissShrimp Ltd is a pioneer in local and sustainable shrimp breeding in Switzerland and GF supports it with its expertise and technical know-how on water treatment.

Sales with social and environmental benefits

% of total sales



Sustainability awards for GF



The Wall Street Journal examined over 5,500 publicly traded companies with regard to their sustainability program. GF was ranked in 9th position of a list of the 100 most sustainably managed companies in the world. The rating is based on aspects such as the environment, social and human capital, business model and innovation.

CDP Ranking

CDP awarded GF with an A- rating (Leadership level) for its worldwide-implemented measures to reduce energy and water consumption. In 2019, the company implemented about 30 measures worldwide to reduce greenhouse gas emissions. These measures led to a reduction of around 3,000 tonnes of CO₂e (CO₂e stands for CO₂ equivalents) emissions.

Five-year overview of the Corporation

CHF million	2020	2019	2018	2017	2016
Order intake	3'160	3'692	4'521	4'274	3'749
Orders on hand at year-end	514	563	623	773	614
Income statement					
Sales	3'184	3'720	4'572	4'150	3'744
EBITDA	299	374	529	491	443
Operating result (EBIT) before one-offs	185	281	382	352	311
One-offs	19	46			
Operating result (EBIT)	166	235	382	352	311
Net profit shareholders GF	116	173	281	252	216
Cash flow					
Cash flow from operating activities	342	318	397	410	400
Cash flow from investing activities	-118	-186	-404	-280	-265
Free cash flow before acquisitions/divestments	230	137	147	204	231
Free cash flow	224	132	-7	130	135
Balance sheet					
Assets	3'445	3'344	3'444	3'610	3'202
Liabilities	2'056	1'906	2'016	2'241	2'002
Equity	1'389	1'438	1'428	1'369	1'200
Net working capital	707	856	926	899	838
Invested capital (IC)	1'313	1'473	1'494	1'466	1'333
Net debt	117	232	238	183	214
Key figures					
Return on equity (ROE) %	7.9	12.0	19.9	20.1	19.3
Return on invested capital (ROIC) %	9.3	12.4	22.4	20.3	19.3
Return on sales before one-offs (EBIT margin before one-offs) %	5.8	7.6	8.4	8.5	8.3
Return on sales (EBIT margin) %	5.2	6.3	8.4	8.5	8.3
Asset turnover	2.3	2.5	3.1	3.0	2.9
Cash flow from operating activities in % of sales	10.7	8.5	8.7	9.9	10.7
Employees					
Employees at year-end	14'118	14'678	15'027	15'835	14'808
Europe	7'792	8'373	8'721	9'658	8'845
Asia	3'604	3'545	3'725	3'807	3'713
Americas	1'938	1'922	1'740	1'503	1'348
Rest of world	784	838	841	867	902

Contact

Investor Relations, Daniel Bösiger
Phone +41 (0) 52 631 21 12, daniel.boesiger@georgfischer.com

Corporate Communications, Beat Römer
Phone +41 (0) 52 631 26 77, beat.roemer@georgfischer.com

Photos: p. 1, 3, 4 Nik Hunger, p. 3, 8, 9, 10 GF photos, p. 11 SwissShrimp Ltd

All photos were taken in strict compliance with the locally applicable COVID-19 protection regulations.



Find out more about financial figures, information on GF's strategy, and business segments at
www.annualreport.georgfischer.com/2020/en