SUSTAINABILITY STATEMENT

2024

PASSION CREATES INNOVATION

POLYTEC

SUSTAINABILITY STATEMENT 2024

CONTENT

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1. GENERAL INFORMATION

PREAMBLE

Sustainable management is one of the fundamental pillars of the business model of the POLYTEC GROUP. Sustainability is of particular importance for the strategy of future corporate development, whereas the interests of our customers, employees, the public, the employees in our supply chain, and the environment must be balanced with our own performance on the other hand. Sustainability encompasses the dimensions of ESG, environment, social (social justice), and governance (responsible corporate management).

Sustainability reporting is an essential part of our holistic corporate communication. We want to present ourselves successfully and credibly to our customers and competitors. We are convinced that our actions as a responsible company will contribute to long-term business success. For this reason, we have been dealing intensively with ESG issues since 2022 with the publication of our first sustainability strategy and the POLYTEC's path of decarbonization. Our company has set the goal of becoming climate-neutral in production by 2035 (Scope 1 and 2) and has initiated appropriate measures to achieve this goal. Under the title "Go Neutral 2035", the company aims to completely convert its production to CO_2 neutrality over the next ten years.

"GO NEUTRAL 2035", Non-Financial Strategic Goals

As a company whose basic material consists of plastics, the utilization of resources in addition to energy consumption have a significant impact on the environment. Against this background, POLYTEC has been taking genuine measures to conserve raw materials and energy since 2020 and tracks key figures on the respective achievement on an annual basis. Environmental and climate protection are essential and increasingly important components of POLYTEC's business processes. The measures set up to reach our environmental goals are to be continuously implemented and revised in the coming years as part of the POLYTEC GROUP's environmental and energy management system. The sustainability strategy developed as a part of this process in the 2022 financial year contained eight strategy areas. On this basis, corresponding key figures and target values for the period up to 2035 were developed.

To achieve these goals, the sustainability strategy was integrated into POLYTEC's existing processes and systems, and a new sustainability department was created, which reports directly to the Board of Directors. Moreover, sustainability has also been integrated into the engineering activities of the POLYTEC GROUP, so that the company's sustainability goals are also considered in every development project.

In order to achieve its overarching goal – carbon neutral production by 2035 – POLYTEC will continue to concentrate on the three focus areas of production, energy and people in the coming years. In the focus areas of energy and production, the Group identified the greatest levers on the path to achieve CO2 neutrality, whereas the focus area of people is primarily on implementation of measures to promote skilled workers with the right mindset, know-how, and commitment.

In the 2024 financial year, a comprehensive double materiality analysis was carried out. In this context, the sustainability strategy "Go Neutral 2035" with its three focus areas was further adapted and the three strategic goals were more defined more specifically.

1. Focus field production

With this strategic goal, POLYTEC intends to take even greater account of the holistic approach in the future, so that the Group pays attention not only to careful consumption of all raw materials but also increase recycling to save and make optimal use of available resources along the entire production process. This includes particularly resource savings that POLYTEC has already achieved through the lightweight design and functional integration of components. The company also plans to reduce the consumption of raw materials by increasing the use of regranulates, using modern dosing systems, improving reject rates, and changing the chemical composition of the materials. To achieve this goal, a project of optimization of recycling and waste management is currently planned across corresponding departments.

In the past financial year, the focus was on measures to reduce natural gas consumption through targeted investments, optimization of plants and processes, certification of energy management system in accordance with ISO 50001, and the further expansion of an analysis and reporting system software supporting real time collection of electricity and gas consumption data.

2. Focus field energy

As part of the "Go Neutral 2035" decarbonization path, the CO_2 balance of the POLYTEC GROUP is expected to be improved gradually in the coming years. As the importance of sustainability rises significantly, POLYTEC formulated

the reduction of environmental emissions as a strategic corporate goal as early as 2020. To this end, CO_2 emissions (Scope 1 and Scope 2) of the entire group were calculated and evaluated for the first time in 2020. From this evaluation, measures to reduce emissions were planned and implemented, and the results were measured. Moreover, the targets are currently being reassessed and the measures revised from the current financial year onwards, considering the Scope 3 data is now available through ESRS reporting.

After having optimized key energy consumption across plants in various projects in recent years, and thus achieving considerable savings, POLYTEC concentrated on the further expansion of the photovoltaic systems in Lohne and Hörsching in the past financial year.

3. Focus field people

In addition to challenges through the market environment, the competition for the best employees is also becoming increasingly fierce. With a wide range of offers for personal development and an attractive working environment, POLYTEC secures a solid position in a highly competitive job market. However, the focus is not only on the acquisition and retention of talent, but also on employee's health and safety, diversity and fair working practices, as well as corporate values and culture. POLYTEC has set the goal of further development and improvement of its HR strategy, and in addition to the process optimization already made in the areas of on- and offboarding, of further focusing on the employees and on further advance topics such as equality, etc. In addition, the development of appropriate policies and of measurable targets, such as in the areas of employee fluctuation and absence management, are at the forefront of the upcoming efforts.

ESRS 2 GENERAL INFORMATION

Basis for preparation

Disclosure Requirement BP-1 – General basis for preparation of sustainability statement

This non-financial report, referred to as the "Sustainability Statement", has been implemented in accordance with Section 267a of the Austrian Commercial Code (UGB) and in accordance with the requirements of the Sustainability and Diversity Improvement Act (NaDiVeG). In addition, the non-financial report was prepared voluntarily in accordance with the European Sustainability Reporting Standards (ESRS) in preparation for the reporting obligation under the Corporate Sustainability Reporting Directive (CSRD).

The voluntary, independent audit of the double materiality analysis and the transition of data points in accordance with ESRS was carried out as of 31 December 2024 by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, in the period from August to October 2024 (preliminary audit) and from October 2024 to April 2025 (main audit)

The sustainability statement is part of the company's Group Management Report. POLYTEC reports on the disclosure requirements of the ESRS within a single, separately identifiable section of the management report and discloses all necessary or material information on sustainability-related impacts, risks and opportunities in accordance with the ESRS.

According to Section 267a of the Austrian Commercial Code (UGB), certain topics must be covered in the non-financial statement, if they are relevant to understanding the impact of the company's activities. In this report, these issues are addressed in the following chapters: E1 to E5 (environmental issues), S1 and S2 (employee matters), as well as S1 to S4 (social and human rights), and G1 (fight against corruption and bribery).

The consolidated sustainability statement of POLYTEC Holding AG covers all operating companies with production sites within the POLYTEC GROUP. Non-operating subsidiaries – including real estate, management, holding and investment companies – have been excluded for reporting, since they do not cause material emissions, waste or pollution, nor do they entail any relevant impacts, risks or opportunities.

The assessment of sustainability impacts during the double materiality analysis covered the entire value chain. In the upstream value chain, the focus was on the areas resource procurement and emissions, while in the downstream value chain the analysis included further product uses to the end of its life cycle, consumers and customers in the automotive industry, as well as the end customers. The focus here was on the analysis of possible (positive) health or safety effects for end customers resulting from the smart design of POLYTEC products.

Developed policies, measures and targets are limited to the company's own core processes and do not extend to the entire upstream and downstream value chain. Therefore, the aim was to define specific measures and targets along the entire value chain – from procurement to production and sales.

ESG-compliant procurement of products and services is ensured in accordance with the provisions of the German Supply Chain Due Diligence Act (LkSG). POLYTEC achieves added value through the sale of products for the automotive and food industries as well as through the development and manufacture of tools for production plants and machines. The main sources of income are sales revenues (see E.1 Sales and segment reporting and E.2 Other operating income in the consolidated financial statements).

The possibility not to disclose information on intellectual property, know-how or innovation results, as well as the exemption provided for in Articles 19a(3) and 29a(3) of Directive 2013/34/EU, was not used in this report.

Disclosure obligation BP-2 – Disclosures in relation to specific circumstances

For all analysis as a part of the reporting, the time horizons defined in ESRS 2 Section 6.4 were applied.

The company is subject to the requirements of the Sustainability and Diversity Improvement Act (NaDiVeG), whereby the mandatory disclosures and information in this non-financial statement are disclosed in accordance with the CSRD and the ESRS. The figures do not include the previous year's numbers, which are published in the consolidated financial statements for the 2023 financial year.

During the first-time implementation of the Scope 3 emissions calculation, some gaps in the primary data were identified, which required the use of estimates and approximations. This applies to the following categories:

- Employee commuting (Scope 3.7): There is no information on the type of transport used for commuting, thus it was assumed on the basis of a German study
- Transport and distribution (Scope 3.4 and 3.9): – no direct information about the type of transport and weight of the transported cargo, thus an approximated value was used for calculation
- Use of products sold (Scope 3.11): Assumptions on the average weight of cars and trucks and the average lifespan of vehicles in kilometres
- Recycling at the end of life of the products (Scope 3.12): All products sold (automotive) are assumed to be disposed or recycled in the production countries

In addition, there is a small portion of approximation in the market-based calculation of Scope 2 emissions (see ESRS E1 DR E1-6). For a few small plants, no primary data could be provided by their energy supplier, therefore national average data had to be used. Moreover, no quantities of packaging material could be collected for 2024 in relation to resource inflows.

The degree of precision of the Scope 3 calculation is currently classified as medium. Where possible, primary data from the company was used, yet it could not be fully collected for all categories and for all 21 plants. The Scope 2 calculation is classified as accurate, because the primary data was almost completely available. Only the data from a few smaller plants have slight uncertainty, which is to be resolved in the next reporting year.

Due to the first-time reporting, there is no obligation to present corrections for previous reporting periods in accordance with ESRS 1 Section 7.5.

POLYTEC makes use of the possibility to include information by reference in accordance with Section 9.1 of the ESRS 1. The table below reveals which information is included by reference:

Public disclosure requirement	Datapoint	Reference
BP-1 – General basis for preparation of sustainability statements	ESRS 2-BP-1.5c	Consolidated Financial Statements - Revenue and segment reporting and E.2 Other operating income
GOV–1 The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1.21	Corporate Governance Report
SBM-1 – Strategy, business model and value chain	ESRS 2-SBM-1.40b	Consolidated Financial Statements - Income statement
E1-5 – Energy consumption and mix	ESRS E1-5.40,41,43	Consolidated Financial Statements - Income statement

POLYTEC exceeds the threshold of 750 employees, therefore the disclosure of information according to Annex C of ESRS 1 is not omitted. As part of the double materiality analysis, all topic-specific standards of the ESRS were analysed and as result, only ESRS E3 was classified as non-material.

Governance

Disclosure Requirement GOV-1 – The role of administrative, management and supervisory bodies

The Board of Directors of POLYTEC Holding AG consisted of three members in the 2024 financial year. The Supervisory Board consisted of four male members and one female member, with Supervisory Board member Reinhard Schwendtbauer resigning from his position on the Supervisory Bord of POLYTEC Holding AG early with effect from 16 December 2024, due to his appointment as Managing Director of Raiffeisenlandesbank OÖ and the associated Fit & Proper provisions. At the end of the reporting year, the Supervisory Board consisted of four shareholder representatives and no employee representative. All members have the necessary expertise, whether in the financial sector, in the automotive industry, or in the special compliance environment of the POLYTEC GROUP.

The Board of Directors consists exclusively of male members, while the Supervisory Board consisted of three male and one female member as of December 31, 2024. This corresponds to a proportion of women on the Supervisory Board of 25% and a share of 14.29% in the Board of Directors and Supervisory Board combined. Until mid-December 2024, the Supervisory Board consisted of four non-independent and one independent member, bringing the proportion of independent members to 20%. Since the resignation of Mr. Reinhard Schwendtbauer, the Supervisory Board has consisted entirely of non-independent members. See further information on this in the Corporate Governance Report.

The Chairman is responsible for the company's strategy by the rules of procedure, but the impacts, risks and opportunities relating to the corporate strategy and risk management are jointly monitored and tracked by the full Board of Directors. Supervision of these tasks is ensured by regular discussions among the members of the Board of Directors and the Supervisory Board. In the Supervisory Board, the Audit Committee is responsible for monitoring the risky situation and risk management.

In the past financial year, the CEO was responsible in his dual function for Corporate Strategy, Investment Management, Legal Affairs, IT, Corporate Communications, Operations, all sustainability agendas, Project Management, and Operational Excellence. The CCO performed the tasks for sales, engineering, marketing, purchasing and human resources. The CFO ensured the agendas of finance, controlling, treasury, accounting and investor relations. This division and interlinking of sustainability agendas in all three Executive Board departments require close cooperation and coordination between all Executive Board members. The further development and orientation of the POLYTEC sustainability strategy is ensured by regular coordination with the Sustainability Board and the participation of the entire Board of Directors and the managers responsible in the company. From the 2025 financial year, more enhanced regular reporting of the measures and targets to the Audit Committee of the Supervisory Board of POLYTEC Holding AG is planned.

The reporting obligations are fulfilled through regular consultations between the Board of Directors and the chairman of the Supervisory Board about corporate strategy, business development, reports to the Audit Committee on the ongoing monitoring of the risk situation and risk management. In addition, compliance and sustainability issues are reported to the Audit Committee at least twice a year at the regular meetings.

The current sustainability strategy is being further developed at the operational level by the Directors of Engineering, Operations Services, and Legal & Compliance with the support of experts from the POLYTEC GROUP's specialist departments. The relevant data and key figures are collected via ESG dashboards, and the data points set up according to CSRD and validated with employees from all departments.

The POLYTEC risk management system also maps the risks of key sustainability issues. They are determined in accordance with the requirements of the POLYTEC GROUP's risk management manual, addressed in the business review meetings in accordance with the sustainability targets, and followed up by the responsible managers in day-to-day business. The Board of Directors is informed about any risks arising from operations through the monthly business review meetings. In recent years, specific information such as primary data and key figures for CSRD reporting in accordance with the sustainability strategy established in 2022, e.g. energy consumption development or data on employee safety, have been integrated into regular management reporting.

The POLYTEC Corporate Sustainability Team prepares relevant sustainability information and reports it to the Board of Directors via the Director Legal & Compliance. Since the introduction of this department in 2022, sustainability-related expertise has been continuously processed and transported to the governing bodies. The

areas of responsibility include the operational introduction of the CSRD in the POLYTEC GROUP, the continuous improvement of the sustainability ratings for various sustainability platforms required by the OEM´s, and the project management for the publication of the first sustainability report, including all associated preparatory and accompanying work.

The Board of Management monitors targets and progress in material impacts, risks, and opportunities, and monitors progress in strategy implementation and risk management in close cooperation with the Supervisory Board. The Board of Directors continuously reviews the achievement of targets, and the impact associated with the sustainability strategy and other business aspects.

Disclosure GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The double materiality analysis for the 2024 financial year was carried out for the first time at the turn of the year 2023/2024 with the help of external experts. The Board of Directors and the Supervisory Board were regularly informed about the results and the main impacts, risks and opportunities (IRO) of the analysis. During the realignment according to CSRD in the 2024 financial year and the first-time implementation of the double materiality analysis, the processes for monitoring, decision-making and risk management were adjusted. This comprehensive and long-term transformation process is still in its early stages. No compromises had to be considered in the initial survey.

The double materiality analysis identified 32 material impacts and 7 risks or opportunities. The result is broken down in detail in the ESRS 2 SBM-3. The Board of Directors focused primarily on those IROs that affect the company's own business area and have a very high impact potential according to the double materiality analysis:

- Direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions
- Reduction of greenhouse gas emissions through self-generated renewable energy
- Depletion of non-renewable resources using petroleum-based raw materials
- Conservation of resources through the manufacture of products according to circular principles
- Generation of waste through rejects, cutting leftovers and consumption of auxiliary material in production and administration
- Reduction of the amount of waste using production waste
- Ensuring fair treatment of employees
- Stressful working hours as well as stress from production processes for employees
- Health damage caused by accidents at work and health hazards to employees
- Further training and competence development of employees
- Protection of whistleblowers
- Long-term business partnerships through fair business and payment practices

Disclosure requirement GOV-3 – Integration of sustainability-related performance in incentive schemes

At present, no sustainability-related incentive systems have been agreed in accordance with the current remuneration guideline and therefore no sustainability-related considerations had to be included in the evaluation of the board of director's remuneration.

Disclosure Requirement GOV-4 – Statement on due diligence

The following overview list shows the sections in which the core elements of the due diligence obligations can be found, i.e. the processes installed in the POLYTEC GROUP for the identification of actual and potential negative impacts on the environment and people related to the company's business activities.

List of information provided on the due diligence process

Core elements of due diligence	Reference in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
	ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
	ESRS 2 SBM-2 – Interests and views of stakeholders
	ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities
	ESRS 2 MDR-P – Policies adopted to manage material sustainability matters
	Topical ESRS: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities
	ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking actions to address those adverse impacts	ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M – Metrics in relation to material sustainability matters

Disclosure Requirement GOV-5 – Risk management and internal controls over sustainability reporting

The current risk management system of the POLYTEC GROUP can identify environmental, social and economic factors that may influence business operations or pose a risk to business activities. At the beginning of 2024, a double materiality analysis was carried out for the first time along with the climate risk and vulnerability analyses at the production sites. From the current financial year onwards, these environmental and energy aspects are to be reassessed annually, and targeted measures are to be derived and considered in the POLYTEC GROUP's risk manual.

The already established processes in the internal control system were used to collect the first data points, and further interfaces for the digitization of the processes and data collection have already been established. A strategic supplier management tool with AI-supported analysis functions set up in the 2023 financial year and supervised by procurement ensures the early identification of corresponding risks in the supply chain in compliance with due diligence obligations.

POLYTEC uses a numerical evaluation system (0–5) to quantify the impact of risks and opportunities for the double materiality analysis. Prioritization is based on the potential financial impact in order to manage strategically relevant risks. As results, the following key risks were identified:

- Decline in sales (E1): Changes due to e-mobility, changed user behaviour and higher conversion costs
- Material use (E5): Restriction of materials that are difficult to recycle (SMC, GMT, LFT)
- Raw material prices & availability (E5): Rising costs for non-renewable raw materials and recycled raw materials
- Personnel costs (S1): Unexpected wage increases during the project period

POLYTEC counters these risks through adapted procurement strategies, the development of technological innovations, and a continuous adaptation of the product portfolio. Details can be found in the policies, measures and targets of the respective topic-specific areas.

The results of the double materiality analysis and the climate risk and vulnerability analysis flow directly into the strategic planning and operational management of the Management Board and the Sustainability Board. Sustainability risks are integrated into relevant business processes, monitored and addressed via monthly business review meetings, regarding product development, new procurement strategies, and investment decisions.

Through the annual assessment of environmental and energy aspects within the framework of ISO 14001 and ISO

50001 certification, risk minimization measures are derived directly from the production sites. In addition, the supplier management tool used at POLYTEC facilitates the early identification of risks in the upstream value chain or in procurement management.

The results of the double materiality analysis and the stakeholder survey were reported to the Audit Committee for the first time in the 2024 financial year.

Strategy

Disclosure Requirement SBM-1 – Strategy, business model and value chain

POLYTEC develops and produces highly complex plastic solutions that are individually tailored to various industries and customer requirements. The company not only supplies well-known customers in the automotive and commercial vehicle industry but also serves markets outside this sector. In addition, the service portfolio also includes downstream processes such as painting, assembly, and just-in-time or just-in-sequence deliveries.

POLYTEC pursues a long-term strategy to strengthen its market position in the plastics industry through innovative, sustainable solutions and low-CO_2 value creation. Compared to metal, plastic solutions enable a significant reduction in energy consumption over the entire product life cycle. Through material efficiency, recyclability, and durable products, as well as circular economic approaches, POLYTEC contributes to achieving global sustainability goals.

In the reporting period, the markets and customer groups remained largely stable, while only individual customer segments' demand and sales have been changed. At present, there are no sustainability goals explicitly tailored to individual product groups or services, customer categories or specific geographic markets. Sustainability goals are implemented at the company level and along with the entire value chain.

Regulatory requirements, market changes and customer requirements for sustainably produced products are constantly increasing, which is why sustainable product solutions are becoming increasingly important. POLYTEC meets these challenges through various approaches:

- Decarbonization of production: Switch to renewable energy sources and increasing efficiency in manufacturing.
- Innovative materials: Development of recyclable, resource-saving plastic solutions.
- Sustainable supply chains: Introduction of stricter sustainability criteria for suppliers and expansion of the circular economy.
- Transparent reporting: Further development of sustainability reporting in accordance with CSRD and ESRS standards.
- Overarching cooperation: Interdisciplinary cooperation between a wide range of specialist departments, as well as with research institutions and universities.

The POLYTEC GROUP does not generate any revenues from the fossil fuel sector such as coal, oil, and gas. The POLYTEC GROUP is not active in the production of chemicals or prohibited weapons and does not generate any revenue from the cultivation or production of tobacco. There are no bans on the company's products.

The consolidated financial statements of POLYTEC Holding AG do not include segment reporting in accordance with IFRS 8. The company is based in Austria and therefore uses the existing exemption under Article 18 (1) (a) of Directive 2013/34/EU. For this reason, there is no specific breakdown of revenues by ESRS sector. For total net sales, see the income statement in the consolidated financial statements. A detailed breakdown of the number of employees by geographical area can be found in the disclosure requirement for S1-6.

Portfolio

The portfolio comprises six technology-independent product lines that are continuously being developed:

- Smart Plastics & New Mobility: Plastic solutions for transport, logistics and sustainable mobility, including IFCO boxes and lightweight components for innovative mobility concepts.
- Truck, Bus & Agricultural Applications: Robust components for commercial vehicles, including roof solutions, hoods and side panels for trucks and agricultural machinery.
- Painted Exterior & Acoustic Solutions: Development and production of exterior and aerodynamic components, including painting and assembly, for example for bumper systems.
- Powertrain Solutions: High-performance components for the powertrain, including hybrid struts and transmission spray pipes.
- Battery Applications: Protection and housing solutions for high-voltage batteries in electric vehicles with a focus on cooling, electromagnetic shielding and recyclability.

- Underbody Solutions: Aerodynamic underbody components to increase efficiency, including easily recyclable seat cushion frames and skid plates for electric vehicles.

Supply chain

POLYTEC's value chain is based on six central manufacturing technologies and includes both upstream and downstream processes:

- Injection molding: Processing of polypropylene and polyamides with electrical energy. Raw materials come mainly from European chemical companies. The products are primarily manufactured for the automotive and commercial vehicle industries.
- Reaction Injection Molding (RIM): Processing of polyurethane using isocyanate and polyol components. POLYTEC no longer uses acutely toxic isocyanates. This process is used for acoustic components and vehicle components.
- GMT (Glass mat reinforced thermoplastics): Production of underbody systems with glass fibre-based materials. High CO_2 emissions are generated during glass fibre production. GMT is mainly used in the automotive industry.
- LFT (Long fibre reinforced thermoplastics): Processing of polypropylene and glass fibres with in-house pre-mixing of the materials. Some of the raw materials come from Egypt. LFT is primarily used in structural components for vehicles.
- SMC (Sheet Molding Compound): POLYTEC produces and processes SMC. The material is characterized by high mechanical stability and heat resistance. It is used, among other things, in the agricultural machinery industry and for vehicle underbodies.
- Painting: An energy-intensive process with CO_2 emissions. Coatings based on polyurethane or epoxy resins are applied in several layers.

The products manufactured by POLYTEC consist mainly of petroleum-based plastics along with glass and carbon fibres. The company obtains these materials primarily from European chemical companies and glass fibre producers. Through long-term supply contracts and strategic partnerships, the company ensures the availability of these raw materials. The supplier management tool supports purchasing with sustainable solutions in compliance with the current requirements of the German supply chain act (LkSG).

In the upstream value chain, the most important suppliers are European chemical companies, glass fibre manufacturers and raw material producers. Transport is mainly carried out by truck, but also by ship. The components produced are sold in the downstream value chain mainly to European automotive and commercial vehicle manufacturers, as well as to non-automotive customers.

Internal value creation is also ensured by intensive research work at POLYTEC. An innovative recycling process for SMC components has been developed, which enables reprocessing of the scrap of SMC molded parts and semi-finished products in the future, which can be integrated into the manufacturing process – regardless of whether the molded parts are raw or painted.

Disclosure Requirement SBM-2 – Interests and views of stakeholders

The important stakeholders of the POLYTEC GROUP include customers, employees, local communities, suppliers, nature (as a silent stakeholder), trade unions, social partners, civil society, NGOs, consumer protection, academics, capital market, public sector, Supervisory Board, media, competitors, and workers in the value chain. These have been identified in previous materiality analyses and included in the double materiality analysis in 2024.

The above-mentioned stakeholders were evaluated by analysing how strongly they are affected by specific weighted interest and influence of the company. In accordance with the calculated priority, the most relevant stakeholder groups were included in the double materiality analysis.

Stakeholder involvement took place directly (e.g. through interviews with the Board of Directors and Supervisory Board) or indirectly (via responsible directors or representatives). NGOs and companies were also involved in taking ecological and social concerns into account. This enabled the validation of the double materiality analysis, the identification of priorities, and the integration of key concerns into the ESG strategy.

Through stakeholder involvement, the results of the double materiality analysis were validated by the relevant stakeholder groups to take their expectations and requirements into account. Targeted feedback on material topics was obtained and it was checked whether central concerns were adequately addressed. This ensured that no critical issues were overlooked. In addition, identified stakeholder priorities were directly incorporated into the ESG strategy, which influence future decisions and sustainability measures.

Stakeholder involvement during the double materiality analysis made it possible to systematically record the interests of central stakeholders and integrate them into the corporate strategy. The involvement of stakeholders is repeated annually as part of the double materiality analysis and is expected to be strengthened in the future.

Planning for the complete further development and alignment of the sustainability strategy with the CSRD is being carried out in the current reporting period. A detailed implementation plan will ensure step-by-step implementation of the sustainable strategy. The increased transparency provided by the new reporting requirements is expected to strengthen stakeholder confidence and further enhance the company's ESG credibility. If new expectations arise, they will be reviewed and, if necessary, included in the plan.

The Board of Directors and Supervisory Board are informed annually about the results of the materiality analysis. Sustainability issues are an integral part of the Board of Directors and Sustainability Board meetings, where ESG risks and opportunities, and stakeholder expectations are discussed. Depending on the urgency, relevant concerns are forwarded to management or the Supervisory Board to ensure they will be considered for strategic decision-making.

Disclosure Requirement SBM-3 – Material impact, risk and opportunities and their interaction with strategy and business model

The table below shows all the material impacts, risks and opportunities identified in the double materiality analysis. These are assigned to the topic-specific ESRS sustainability aspects and sub-topics. Negative effects (-) and positive (+) effects, as well as risks (↘) and opportunities (↗) are marked accordingly. In addition, it shows whether the IRO is actually or potentially effective, where in the value chain it occurs and in which time horizon.

		Type of IROs		Position in value chain			Time horizon		
Sustainability matter	**Impact, Risk, and Opportunity (IRO)**	**Actual**	**Potential**	**Upstream**	**Core process**	**Downstream**	**Short-term**	**Mid-term**	**Long-term**
E1 - Climate change									
Climate change mitigation	(-) Greenhouse gas (GHG) emissions from the production of petroleum-based raw materials and intermediate products	X		X			X	X	X
	(-) Greenhouse gas (GHG) emissions from the production of non-petroleum-based raw materials and intermediate products	X		X			X	X	X
	(-) Direct greenhouse gas emissions (Scope 1) from stationary and mobile combustion, refrigerant use and process emissions	X			X		X	X	X
	(-) Greenhouse gas emissions from the transport of products within the supply chain	X		X			X	X	X
	(-) Greenhouse gas emissions from the transport of products to customers	X				X	X	X	X
	(-) Greenhouse gas emissions from the transport and final utilisation of all types of waste	X			X		X	X	X
	(+) Contribution to the energy transition, mobility transition, decarbonisation through the production of components for e-mobility and renewable energy technologies	X			X		X	X	X
	(↗) Expanding and growing the e-mobility and renewable energy technology product portfolio for the energy and mobility transition and decarbonisation.	X	X			X		X	X
	(↘) Decline in sales Slump in conservative markets for internal combustion engine vehicles due to shift to e-mobility; decline in sales due to stricter legislation, changes in consumer behaviour and customer requirements	X	X		X			X	X

		Type of IROs		Position in value chain			Time horizon		
Sustainability matter	**Impact, Risk, and Opportunity (IRO)**	**Actual**	**Potential**	**Upstream**	**Core process**	**Downstream**	**Short-term**	**Mid-term**	**Long-term**
Energy	(-) Indirect greenhouse gas emissions (Scope 2) from the purchase of energy in the form of electricity, heat, steam and cooling	X		X			X	X	X
	(+) Reduction of greenhouse gas emissions by substituting purchased energy with self-generated (renewable) energy	X			X		X	X	X
	(↗) Increasing independence from energy markets by expanding self-generated renewable energy; optimising and decarbonising production processes through new technologies; long-term independence from fossil fuels	X	X		X				X
E2 - Pollution									
Pollution of water	(-) Pollution of local waters or marine resources in the raw material extraction process and possible water pollution from wastewater discharge.		X	X			X	X	
	(-) Soil contamination from the extraction of raw materials (especially crude oil and natural gas)		X	X			X	X	
E4 - Biodiversity and ecosystems									
Direct impact of biodiversity loss	(-) Habitat and ecosystem disturbance during resource extraction (oil spills during extraction and transport; land degradation during fracking and tar sands extraction).	X		X			X	X	
E5 - Resource use and circular economy									
Resource inflows, including resource use	(-) Depleting non-renewable resources (oil, natural gas) by using oil-based raw materials (plastics).	X		X			X	X	X
	(↘) Price increases due to decreasing availability of non-renewable raw materials; higher prices for substitutes; insufficient availability of recycled raw material; stricter regulations; costs of excluding non-compliant suppliers.	X	X		X				X
	(↘) Discontinuation of difficult to recycle materials such as SMC, GMT and LFT due to customer and compatibility requirements; loss of sales at several sites; material reorganisation required.	X	X	X				X	X
Resource outflows related to products and services	(+) Conservation of resources through the manufacture of products designed according to principles of the circular economy	X				X	X	X	X
Waste	(-) Waste generated by rejects, cutting residues and auxiliary materials used in production and administration	X			X		X	X	X
	(+) Reduction of consumption of primary raw materials through the purchase and use of recycled raw materials.	X		X			X	X	X
	(+) Reducing waste (and the use of raw materials) by reusing production waste in the manufacture of products.	X		X			X	X	X
S1 - Own workforce									
Working conditions	(+) Ensuring fair treatment and financial security for employees through collective agreements, opportunities for social dialogue, freedom of association and involvement in decision-making through works councils	X			X		X	X	X
	(-) Onerous working hours for employees due to shift work models and production processes, difficult working conditions and heavy physical work.	X			X		X	X	X
	(+) Ensuring work-life balance through flexible working hours for employees	X			X		X	X	X

		Type of IROs		Position in value chain			Time horizon		
Sustainability matter	**Impact, Risk, and Opportunity (IRO)**	**Actual**	**Potential**	**Upstream**	**Core process**	**Downstream**	**Short-term**	**Mid-term**	**Long-term**
	(-) Damage to health or even fatalities due to accidents at work and health hazards due to the use of substances of very high concern in production		X		X		X	X	X
	(↗) Use of automation and digitalisation, thereby avoiding human error in production processes and reducing the burden on employees; reduction in occupational accidents and downtime; greater attractiveness as an employer and therefore less fluctuation	X	X		X		X	X	
	(↘) Increase in personnel costs over the term of projects	X	X		X				X
Equal treatment and equal opportunities for all	(+) Further training and skills development for employees		X		X		X	X	X
	(-) Failure to respect equal opportunities by discriminating against women in the automotive industry	X			X		X	X	X
	(-) Negative effects on mental health due to violence and harassment at work		X		X		X	X	X
S2 - Workers in the value chain									
Working conditions	(-) Onerous working hours for workers in the supply chain due to shift work models		X	X			X	X	
	(-) Damage to health or even fatalities due to accidents at work and health hazards due to the use of substances of very high concern in production		X	X			X	X	X
	(-) Health risks during (improper) dismantling of vehicles, e.g. due to injuries, fuels or chemicals		X			X	X	X	X
S3 - Affected communities									
Communities' economic, social and cultural rights	(+) Creation of jobs through production sites and increasing the attractiveness of the location also for related industries.	X			X		X	X	X
	(+) Positive health or safety effects for other stakeholders, e.g. in road traffic, through intelligent product design		X			X			X
S4 - Consumers and end-users									
Personal safety of consumers and/or end-users	(+) Positive health or safety effects for end users during product use through intelligent product design		X			X			X
G1 - Business conduct									
Protection of whistle-blowers	(+) Protection of whistleblowers through an anonymous complaint procedure	X			X		X	X	X
	(+) Investment in long-term business partnerships through fair business and payment practices	X			X		X	X	X

Material Impacts, Risks and Opportunities

As already stated, 32 material impacts and 7 material risks and opportunities were identified as part of the double materiality analysis. An exception is the E3 standard, for which no material topics were identified. Most of the effects are relevant across all time horizons, some lose importance in the long term, while two only become significant in the long term. 21 of the 32 impacts relate to the focus areas E1, E5 and S1 – which is where all the main risks and opportunities lie. Most of these will only become material in the medium to long term, with 5 out of 7 directly affecting POLYTEC's core process.

In the environmental sector, the focus is on greenhouse gas emissions, resource use, environmental pollution, and waste production. The increased use of renewable energies, the promotion of the circular economy, and the contribution to the energy transition are providing positive signals. Social risks include working conditions, stressful working hours, health hazards, and discrimination. This is offset by positive effects, such as fair working conditions, financial security, work-life balance, further training, and job creation. In corporate governance, whistleblower protection, fair business and payment practices show positive outlooks.

About half of the main impacts directly affect POLYTEC's core process. Two-thirds of the remaining impacts are distributed in the upstream value chain and one-third in the downstream value chain. Most of the financial effects are expected to be in the medium to long term, which is why there is currently no need to adjust asset values. Rising personnel costs is also expected, which can already have a short-term impact on the financial performance. In the environmental sector, self-generated renewable energies offer long-term cost savings, meanwhile the reorientation towards e-mobility opens up growth potential –in spite of the cost of a decline in sales in the combustion engine segment. Rising raw material prices and stricter customer requirements pose additional challenges, besides the market regression. In the social sector, expended automation and digitalization will enable a reduction in workload, greater efficiency, and the strengthening of European plants by eliminating transport costs.

The analysis has further sharpened key topics and priorities for strategy, measures and targets. Aspects that were already known, such as the importance of greenhouse gas emissions for the climate strategy, were confirmed and reinforced through the analysis. The findings are incorporated into strategic development to align measures more specifically with material topics.

Strategic orientation

The business model directly influences the material effects, whereas the strategic realignment aims to minimize negative and amplify positive effects. The effects extend across all time horizons, and, as a manufacturing company, POLYTEC makes a significant contribution to this. There are certain challenges to dealing with the environmental and social impacts of energy-intensive production processes, which can be coped through targeted measures.

In the short term, the focus lies on increasing efficiency and reducing emissions, and in the medium term on expanding sustainable production and adapting the product portfolio. In the long term, POLYTEC is striving for a comprehensive transformation and diversification of the value chain.

POLYTEC is currently not pursuing a focused expansion strategy through M&A transactions or new site construction but concentrating on stabilizing locations and processes for the volatile automotive markets. Investments in energy-efficient renovations and the replacement of inefficient systems have been either already made or are planned on an ongoing basis. These measures contribute to saving energy consumption and are economically reasonable. No additional sources of financing are required for the implementation of the sustainability strategy, as opportunities and risks are balanced within the existing corporate strategy.

This approach is intended to manage significant impacts, risks and benefits from opportunities. The realignment shifts the central issues more into focus. Measures to reduce emissions, the circular economy, and sustainable material procurement strengthen environmental resilience, whereas the social risks are reduced with investments in occupational safety, training, and diversity. Solid compliance and risk management along with ISO 14001 certification ensure regulatory stability.

Entity-specific disclosures

During the data point transition, it became evident that the effects on water and soil from resource extraction (E2 environmental pollution) are not covered by the ESRS key figures or covered with insufficient granularity. Therefore, in addition to the disclosures defined in the three ESRS categories, POLYTEC reports a company-specific disclosure in E2 that enables users to better understand the sustainability-related impacts, risks or opportunities of the company.

Impacts, risks and opportunities management

Disclosure Requirement IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

The double materiality analysis identified material impacts, risks and opportunities along POLYTEC's entire value chain. The assessment was carried out with internal and external experts with the involvement of relevant stakeholders and accompanied by external consultants. In doing so, POLYTEC was guided by the longlist of ESRS 1 AR 16 and IPCC 1.5° without carrying out a concrete scenario analysis.

Qualitative and quantitative methods were combined for the analysis, including internal analyses, stakeholder surveys (see ESRS 2 SBM-2), and external studies. Key assumptions included regulatory developments, market trends, and technological advancements. The study took both direct and indirect effects from own activities, business relationships, and geographical conditions into account.

The impact was assessed based on the probability of occurrence, scale and scope of impacts, and irreversibility of negative impacts. The threshold value was set at 2.5 out of 5 to ensure a practical analysis and to focus on material topics with high relevance for stakeholders. Risks and opportunities were assessed according to financial impact, probability of occurrence and strategic relevance. For financial materiality, a threshold of over 1% of total revenue, which is roughly EUR 6 million applies.

The analysis also took relationships between impacts, risks and opportunities into account. For example, the reduction of greenhouse gas emissions can lead to stricter emission targets, which require higher costs for CO_2-certificates or investments in lower-emission technologies. Such dependencies have been analyzed, but not yet systematically documented.

Sustainability risks are part of the existing risk management system and are assessed equivalently with other corporate risks. Decision-making takes place as part of the risk management and strategy process. Risks and opportunities are regularly discussed with relevant departments and management – especially in business review meetings. Internal control procedures ensure continuous monitoring and timely implementation of measures to minimize risk and maximize opportunities.

As the report on the 2024 financial year is the first to comply with CSRD standards, there were no changes to the procedure.

Disclosure Requirement IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement

The following index shows the disclosure requirements that were considered when preparing the sustainability statement based on the results of the materiality assessment (see ESRS 1, Chapter 3), including the page numbers on which the corresponding disclosures can be found:

List of material disclosure requirements	
	Page refenence
ESRS 2 - General Disclosures	
BP-1 – General basis for preparation of sustainability statements	81
BP-2 – Disclosures in relation to specific circumstances	82
GOV–1 The role of the administrative, management and supervisory bodies	83
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	84
GOV-3 Integration of sustainability-related performance in incentive schemes	84
GOV-4 - Statement on due diligence	84
GOV-5 - Risk management and internal controls over sustainability reporting	85
SBM-1 – Strategy, business model and value chain	76
SBM-2 – Interests and views of stakeholders	77
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	78
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	81
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	82
ESRS E1 – Climate change	
GOV-3 Integration of sustainability-related performance in incentive schemes	106
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	106
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	106
E1-2 – Policies related to climate change mitigation and adaptation	108

2. ENVIRONMENTAL INFORMATION

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)

In order to achieve the climate and energy targets defined by the European Union for 2050 and to implement the objectives of the European Green Deal, it is of paramount importance, among other things, to channel financial flows into sustainable projects and investments. In the past, however, the term sustainability was fraught with uncertainty. For the most part, there was no concrete definition of when an activity should be considered sustainable. For this reason, the EU Taxonomy Regulation (EU) 2020/852 came into force in June 2020. It is intended to provide clarity and at the same time encourage companies to make their economic activities more environmentally and climate friendly.

The core of the Taxonomy Regulation consists of six environmental objectives:

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

In recent years, all companies subject to non-financial reporting obligations have reported their share of taxonomy-eligible and taxonomy-aligned economic activities. Specifically, the taxonomy-eligible and taxonomy-aligned sales, capital expenditure and operating expenditure were reported. In 2022 and 2023, the POLYTEC GROUP therefore published the taxonomy-aligned share of the three performance indicators revenue, CapEx and OpEx in accordance with Article 8 of the Taxonomy Regulation. The POLYTEC GROUP published taxonomy-eligible revenues, capital expenditures and operating expenses for the first time in 2022, the year in which the Taxonomy Regulation was implemented.

The step towards alignment is linked to compliance with specific parameters. For example, an economic activity is only taxonomy-aligned and therefore environmentally sustainable if it makes a significant contribution to one of the EU's six environmental goals. In addition, this economic activity must not significantly impair any of the other objectives and must be carried out in compliance with predefined minimum social safeguards.

Within the scope of the definition of economic activities, the POLYTEC GROUP focuses on the environmental objective of climate protection and thus, in accordance with Article 9 (a) of Regulation (EU) 2020/852, on the first objective of the regulation, whereby double counting could be avoided. The technical screening criteria defined for this purpose specify, among other things, the conditions under which an economic activity makes a substantial contribution to climate protection yet does not cause significant harm to any of the other five environmental objectives.

MINIMUM SOCIAL SAFEGUARDS

Articles 3 and 18 of the EU Taxonomy Regulation (EU 2020/852) require compliance with a so-called minimum social safeguard. This minimum level of protection ensures compliance with essential regulations such as the OECD Guidelines for Multinational Enterprises or the United Nations Guiding Principles on Business and Human Rights. Specifically, the core topics respect for human rights, combating corruption and bribery, taxation and fair competition were formulated. The topics controversial weapons, the gender pay gap, and board gender diversity have also been integrated.

Regarding diversity in the Board of Directors and Supervisory Board, reference is made to the ESRS 2 Standard, Chapter GOV-1. The current situation regarding this topic in the POLYTEC GROUP is presented there. The gender pay gap is reported in S1-16.

The POLYTEC GROUP does not generate any revenue related to controversial weapons, therefore this topic will not be discussed further.

To counteract the risks of bribery and corruption and ensure free and fair competition with our customers and competitors, the core financial risks have been identified. Key financial processes have been digitized and standardized within the framework of a closed internal control system. In addition, employee awareness of compliance with competition law requirements is heightened and monitored through the publication of relevant guidelines. To comply with these human rights due diligence obligations and enforce the goals mentioned above, the POLYTEC GROUP has implemented the following measures and processes. Further information can be found in the relevant chapters and sections of this non-financial statement prepared in accordance with the ESRS.

COMPLIANCE WITH HUMAN RIGHTS

The ongoing group-wide risk analyses do not reveal any relevant industry-, company- or product-specific risks that would appear to have a negative impact on compliance with the minimum standards. The implemented systems enable violations in the areas of working hours and occupational safety, as well as training and education, to be continuously tracked and remedial as need. At locations outside of Europe, such as China and South Africa in particular, the locally applicable legal provisions are monitored by trained, qualified personnel. At the beginning of 2024, a risk management guideline was put into force with the involvement of the supervisory bodies, which will also further promote the anchoring of due diligence obligations to comply with minimum standards in the group's corporate and sustainable risk strategy.

To fulfil the necessary due diligence obligations and avoid negative effects, the POLYTEC GROUP has implemented appropriate measures and systems, such as the definition of a comprehensive Code of Conduct and a specific Code of Conduct for suppliers. More detailed information and explanations of the implemented measures and systems regarding the direct employees of the POLYTEC GROUP can be found below in the ESRS 2 standard in chapters SBM-3 and the disclosure requirement S1-1 "Impacts, risks and opportunities management". In addition, corresponding measures to ensure compliance with human rights in the upstream supply chain are specified in the chapter "ESRS S2 Workers in the Value Chain" and in detail in the disclosure requirements S2-1 and S2-3.

As a basic requirement, the POLYTEC GROUP expects its suppliers to be aware of and fully comply with the applicable relevant laws and regulations. As part of the German LkSG, which came into force on January 1, 2024, for the German locations of the POLYTEC GROUP, an end-to-end digital process was implemented using an external tool for the group-wide certification of all suppliers.

CORRUPTION AND FAIR COMPETITION

In order to minimize the risk of bribery and corruption as far as possible, since 2015 through the group-wide digitalization offensive the internal control system has been systematically advanced by ensuring the "Four eyes principle". The POLYTEC GROUP now has automated systems for the approval of purchase requisition and value-based systematic approval authorizations of payment instructions. Regarding the anti-corruption guidelines published in the Group in February 2022, the Group Compliance Committee, set up specifically for this purpose, is responsible for reviewing and monitoring local inquiries and reporting to the Board of Directors. More detailed information on the measures implemented to prevent corruption and bribery can be found in the chapter ESRS G1 Corporate Governance, specifically in Disclosure Requirements G1-1 "Corporate culture and business conduct policies and corporate culture" and G1-3 "Prevention and detection of corruption and bribery".

The establishment of development projects and sales contracts are also subject to a standardized approval process through the installation of the POLTEC development process (PEP) and the sales guidelines for the approval of offers and contract review, so that the greatest possible transparency in the conclusion of projects and contracts and fair competition is ensured. Due to the prohibition of the misuse of insider information and market manipulation, the POLYTEC compliance policy serves to ensure these principles and to prevent damage and penalties against the POLYTEC GROUP and its employees.

TAXATION

In the context of taxation, the POLYTEC GROUP always acts in accordance with the locally applicable tax requirements, in compliance with internally implemented security measures (ICS) and the intergroup compliance guidelines. The accounting recording of business transactions, the preparation of tax returns, payment transactions and other tax-relevant processes are handled on the basis of a process flow in compliance with the dual control principle. The effectiveness of the processes and the internal control system is subject to an annual audit.

Furthermore, the data to be submitted as part of the declaration is verified for plausibility with any statistical reports that may be required. Compliance with deadlines (monthly report, due dates for UVA's, Intrastat declarations, ZMen, etc.) is ensured by means of internal documentation (definition of responsibilities including rules for representatives) and a calendar of deadlines. Special issues and special tax queries are assessed by the local accounting departments in conjunction with the corporate accounting team and, if necessary, also with external tax advisors. The confidential handling of data, documents and information as well as special attention to this is ensured by regular training of employees on the "Compliance Guideline".

DO-NO-SIGNIFICANT-HARM CRITERIA

For an economic activity to be assessed as taxonomy-aligned and therefore ecologically sustainable, it must, among other things, make a substantial contribution to one of the six environmental objectives without causing

significant harm to the other objectives. For this purpose, specific Do-No-Significant-Harm criteria, hereinafter abbreviated to DNSH, have been defined for each environmental objective and each economic activity within the framework of the Taxonomy Regulation.

The Taxonomy Regulation requires a climate risk and vulnerability analysis to fulfil the DNSH criterion for the climate change adaptation objective. This is intended to determine the physical climate risks during the expected life span of an economic activity. The POLYTEC GROUP has obtained support from an external provider and identified appropriate adaptation solutions. Specifically, the risk of extreme temperature increase has arisen for the sites assessed. In order to mitigate the effects of these heat waves on employees, appropriate adaptation solutions were defined.

Due to the necessity of an environmental impact assessment as a DNSH criterion, the POLYTEC GROUP carried out an internal analysis and was able to identify the relevant existing legal documents regarding environmental, building and water.

SPECIFICATION OF KEY PERFORMANCE INDICATORS

TURNOVER (ECONOMIC ACTIVITIES)

To determine the taxonomy-eligible economic activities, the POLYTEC GROUP has once again conducted a structured analysis of sales-based economic activities as a first step this year. For this purpose, relevant sales data was collected as part of a sales list and assigned to specific product groups.

For the classification of economic activities within the scope of taxonomy eligibility, the POLYTEC GROUP considers, among other things, product groups related to the manufacture of corresponding components for batteries with regard to the sales-related key figure. These products are, for example, battery housings, battery covers or holders.

Battery components manufactured for e-mobility vehicles, on the other hand, can be assigned to the economic activity CCM 3.18 Manufacture of automotive and mobility components. Furthermore, the POLYTEC GROUP generally classifies all components for electrically powered vehicles to this economic activity. Within the scope of the technical assessment criteria, these components make a significant contribution to climate protection by being essential for the provision of the environmental performance of zero-emission vehicles for any kind of passenger transport. They can therefore be fully allocated to the taxonomy-aligned share. Those battery components that are not designed for electrically powered devices for passenger transport will continue to be included in the economic activity CCM 3.4 Manufacture of batteries. Here, the situation remains consistent with previous years: due to the division of these products into two different sectors, only one taxonomy-eligible activity (CCM 3.4) exists. In order to avoid double counting, a very clear subdivision according to the drive type of vehicles for which the corresponding components were manufactured was carried out.

Within the scope of its production of specific solar tubs, the POLYTEC GROUP was able to identify the economic activity CCM 3.1 Manufacture of renewable energy technologies as an additional category. The product groups used for this purpose correspond to the activity description, thus qualifying them as taxonomy aligned.

The activity CCM 3.6 Manufacture of other low-carbon technologies was identified as another category from the multitude of taxonomy-eligible economic activities. These technologies aim to significantly reduce greenhouse gas emissions and, depending on the availability of a life cycle analysis and thus a prerequisite for compliance with the technical assessment criteria, can be designated as both taxonomy-eligible and taxonomy-aligned. In the case of the products considered for this purpose, this is achieved on the one hand by their lightweight construction and production processes, such as injection-molded products. Compared to equivalent products made of metal-containing materials or similar, these products are lighter and therefore have a lower impact on the emissions of the vehicles on which they are installed. These products include, for example, cylinder head covers made of plastic.

This category also considers products that influence the aerodynamics of vehicles as end products. The particularly aerodynamic shape of specific underbody components or roof spoilers, for example, can reduce air resistance, which can subsequently reduce emissions.

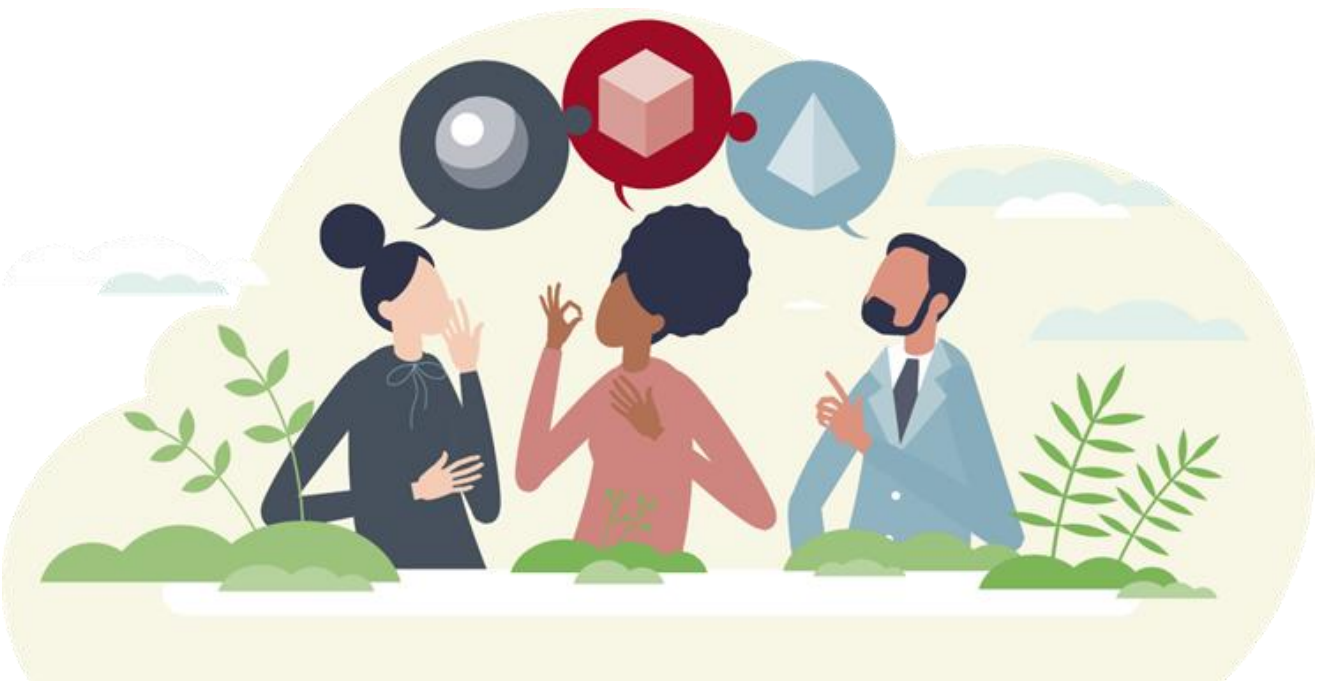
POLYTEC GROUP was also able to identify products outside the automotive sector within the scope of the CCM 3.6 economic activity. Specifically, these are foldable reusable containers for transporting food. These transport boxes bear the prestigious Cradle to Cradle Certified® seal (version 3.1) and are fully recyclable, thus enabling them to be kept in a closed loop. Based on the requirements of the Taxonomy Regulation, these reusable boxes make a significant contribution to climate protection. Likewise, the

corresponding technical evaluation criteria can be met, allowing them to be certified as taxonomy aligned.

In the analysis of its economic activities, the POLYTEC GROUP was also able to define the economic activity CCM 3.17 Manufacture of plastics in primary forms to produce the Sheet Moulding Compound (SMC) at the plant in Gochsheim. POLYTEC GROUP produces this material in its pure form and processes it into products such as solar tubs. Since the SMC produced does not meet the technical assessment criteria of the Taxonomy Regulation, it is only included in the taxonomy-eligible share of sales.

The slight deviation of the key figure compared to the previous year is due to the order-related fluctuations in the product portfolio. The POLYTEC GROUP produces a wide variety of products, which are naturally subject to call-off fluctuations. For this reason, the corresponding economic activities and thus also product groups were re-analysed and reassessed.

The basis of sales is the net revenue resulting from goods or services in accordance with IAS 1.82(a). Total revenue for the 2024 financial year of EUR 677,831 thousand is the denominator of the key revenue indicator and can be found in the consolidated income statement (see E. 1. Revenue and segment reporting). To calculate the corresponding percentages, the share of revenues from products related to taxonomy-eligible economic activities (= numerator) was compared to the total turnover of the POLYTEC GROUP in 2024 (= denominator). POLYTEC GROUP also used a similar approach to determine the taxonomy-aligned share of sales. The respective share of taxonomy-eligible and taxonomy-aligned sales was calculated based on the provisions of International Financial Reporting Standards (IFRS). The figures used for the total turnover of the POLYTEC GROUP in 2024 correspond to the items in the annual financial statements. Based on this, the following data was obtained for the sales-related performance indicator.



Reporting form for the KPIs of non-financial companies

Share of turnover from goods or services related to taxonomy-aligned economic activities – disclosure for the year 2024

Fiscal year 2024			2024	Substantial contribution criteria						DNSH-Criteria ("Do No Significant Harm")									
Economic activities (1)	Code (2)	Absolute turnover (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned or eligible turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		Currency (in EUR k)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	890	0.1%	Y	N/EL	N/EL	N/EL	J	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.3%	E	/
Manufacture of other low carbon technologies	CCM 3.6	128,777	19.0%	Y	N/EL	N/EL	N/EL	J	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5.9%	E	/
Manufacture of automotive and mobility components	CCM 3.18	22,406	3.3%	Y	N/EL	N/EL	N/EL	J	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5.2%	E	/
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**152,073**	**22.4%**														**11.4%**		
Thereof enabling activities		152,073	100.0%														100.0%	E	
Thereof transitional activities		0.0	0.0%														0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of batteries	CCM 3.4	19,275	2.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.3%		
Manufacture of other low carbon technologies	CCM 3.6	67,829	10.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								15.0%		
Manufacture of plastics in primary form	CCM 3.17	5,961	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.0%		
Turnover of taxonomy- eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**93,065**	**13.7%**														**17.3%**		
A. Turnover of taxonomy eligible activities (A.1 + A.2)		**245,138**	**36.2%**														**28.7%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities (B)		**432,693**	**63.8%**																
TOTAL (A + B)		**677,831**	**100.0%**																

Proportion of turnover/Total turnover	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	**22.4%**	**36.2%**
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Footnotes and explanations of the tables:

a) The code represents the abbreviation of the specific objective to which the economic activity can make a substantial contribution and the number of the section of the activity in the relevant annex covers the objective, i.e.
- Climate change mitigation: CCM
- Climate change adaption: CCA
- Water: WTR
- Circular economy: CE
- Pollution prevention and control: PPC
- Biodiversity and ecosystems: BIO For example, the "Reforestation" activity would have the following code: CCM 1.1.

For actions that can make a significant contribution to more than one objective, the codes for all objectives shall be provided. For example, if the operator reports that the "new construction" activity makes a significant contribution to climate protection and the circular economy, the code would be: CCM 7.1./CE 3.1.

The same codes should be used in sections A.1 and A.2 of this template.

b) Y – Yes, taxonomy-eligible activity and for the relevant objective taxonomy-aligned activity
N – No, taxonomy-eligible activity but for the relevant objective not taxonomy-aligned activity
N/EL – "not eligible", for the relevant objective not taxonomy-eligible activity

c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial entities shall indicate in bold the most relevant environmental objective for the calculation financial entity KPIs, avoiding double counting. If the use of the proceeds from the financing is not known, financial entities shall calculate in their respective KPIs the financing of economic activities that contribute to multiple environmental objectives according to the most relevant environmental objective indicated by non-financial entities in this template. An environmental objective can only be stated once in a line in bold to avoid double counting of economic activities in the KPIs of financial companies. This does not apply to the calculation of the taxonomy compliance of economic activities for financial products within the meaning of Article 2 number 12 of Regulation (EU) 2019/2988. Non-financial companies also report the level of taxonomy eligibility and compliance by environmental objectives, which includes compliance with each of the environmental objectives for activities that contribute significantly to multiple objectives, using the template below:

d) The same activity can only comply with one or more environmental objectives for which it is taxonomy-eligible.

e) The same activity may be taxonomy-eligible and not consistent with relevant environmental objectives.

f) EL – Taxonomy-eligible activity for the respective objective.
N/EL – Non-taxonomy-eligible activity for the specific objective.

g) Activities shall only be reported in Section A.2 of this template if they are not conforming with an environmental objective for which they are taxonomy-eligible. Activities that comply with at least one environmental objective must be reported in Section A.1 of this reporting form.

h) To report an activity in Section A.1, all DNSH criteria and minimum safeguards must be met. For the activities listed in A.2, columns 5 to 17 can be filled in by non-financial entities on a voluntary basis. Non-financial entities may indicate the substantial contribution and the DNSH criteria they meet or do not meet in Section A.2 using the following codes: (a) for material contribution: Y/N and N/EL instead of EL and N/EL, and (b) for DNSH: Y/N

INVESTMENTS (CapEx)

To evaluate the investment-related performance indicator, POLYTEC GROUP conducted an analysis of its capital expenditure for the past year. For this purpose, the relevant CapEx figures were obtained from the individual locations and aggregated at regional level. In the context of data collection for the CapEx indicator, there would also have been the potential to be subject to the error of double counting certain more monetary expenses. To avoid this, the relevant data sets were precisely evaluated and, depending on their relevance, included in the calculation of the CapEx key figure.

In the first step, the POLYTEC GROUP determined those investments for the corresponding calculation that are related to the economic activities identified in the sales-related performance indicator. In addition, taxonomy-eligible expenditures on projects to produce oil separators or components for hybrid cars, for example. The review of capital expenditure revealed concrete specific allocations to these categories. Taxonomy-aligned capital expenditure also arose from expenses related to components for electric cars and foldable transport boxes. Last year, for example, isolated investments were made in the recycling plant in Ebensee, Austria, which is essential to produce the boxes, among other things. POLYTEC GROUP produces several products at certain facilities, which means that the specific allocation of capital expenditure for new facilities to specific economic activities is currently only partially possible. For those investments for which no specific allocation is possible, the POLYTEC GROUP applied a corresponding key this year based on the respective percentages from the identified economic activities of the sales-related key performance indicator. The implementation of a structured allocation process is planned for the future disclosures.

Expenditure related to energy-saving measures, such as the conversion of lighting to LED lamps, could be classified under activity CCM 7.3 Installation, maintenance and repair of energy-efficient equipment. These capital expenditures thus make a significant contribution to climate protection and have no significant negative impact on the other environmental objectives of the Taxonomy Regulation. For this reason, these expenses can be considered taxonomy-aligned and thus contribute to the corresponding percentage.

In addition, relevant investment expenditure on purchased company vehicles is listed under economic activity CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles. Here, a division is made according to the type of drive. Since these are hybrid vehicles and do not meet the technical assessment criteria of the economic

activity, they are included in the taxonomy-eligible part of this activity. Corresponding investments related to purchased real estate in the past year were allocated to the taxonomy-eligible part of economic activity CCM 7.7 Acquisition and ownership of buildings.

For the calculation of the taxonomy-eligible share of the CapEx ratio, capital expenditures in connection with taxonomy-eligible economic activities (= meters), as well as expenditure on hybrid vehicles and building accesses, were compared to POLYTEC's total capital expenditure in 2024 (= denominator), considering the requirements of the Taxonomy Regulation. In line with this, investment expenditure in connection with taxonomy-aligned economic activities (= numerator) was also assessed for the taxonomy-aligned CapEx share in relation to total investments from 2024 (= denominator).

The respective proportion of taxonomy-eligible and taxonomy-aligned CapEx was calculated based on the provisions of the International Financial Reporting Standards (IFRS). For the total CapEx of EUR 32,839 thousand, which was defined as the denominator for the calculation, POLYTEC used the total additions of intangible assets in the amount of EUR 1,207 thousand, excluding additions to advance payments in the amount of EUR 713 thousand and plus reclassifications of advance payments in the amount of EUR 1,293 thousand (see E. 8. Intangible assets and goodwill). Regarding the property, plant and equipment considered, total additions in the amount of EUR 40,075 thousand excluding additions to advance payments made and assets under construction in the amount of EUR 15,839 thousand and plus the reclassifications of advance payments made and assets under construction in the amount of EUR 6,816 thousand were used (see E. 9 Tangible assets).

Deviations in the figures for the CapEx-related performance indicator arise, among other things, due to varying investments within individual projects. In addition, POLYTEC has made further investments in the renewal of facilities for 2024. These plants are inherently more energy-efficient and resource-saving, but do not comply with the regulations of the Taxonomy Regulation and therefore cannot be included in this list.

CapEx share of goods or services associated with taxonomy-aligned economic activities – disclosure for the year 2024

Fiscal year 2024		Year 2024		Substantial contribution criteria						DNSH-Criteria ("Do No Significant Harm")									
Economic activities (1)	Code (2)	CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		Currency (in EUR k)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	8	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.3%	E	/
Manufacture of other low carbon technologies	CCM 3.6	1,580	4.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.5%	E	/
Manufacture of automotive and mobility components	CCM 3.18	375	1.1%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	1.6%	E	/
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	236	0.7%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	3.6%	E	/
Installation, maintenance and repair of charging stations for electric vehicles in buildings	CCM 7.4	0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.6%	E	/
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.4%	E	/
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**2,199**	**6.7%**														**6.9%**		
Thereof enabling activities		2,199	100.0%														100.0%	E	
Thereof transitional activities		0	0.0%														0.0%		/
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of renewable energy technologies	CCM 3.1	0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Manufacture of batteries	CCM 3.4	181	0.6%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Manufacture of other low carbon technologies	CCM 3.6	866	2.6%	EL	EL	N/EL	N/EL	N/EL	N/EL								4.6%		
Manufacture of plastics in primary form	CCM 3.17	56	0.2%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Transport with motorbikes, passenger cars and light commercial vehicles	CCM 6.5	218	0.7%	EL	EL	N/EL	N/EL	N/EL	N/EL								3.7%		
Acquisition and ownership of buildings	CCM 7.7	144	0.4%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**1,465**	**4.5%**														**8.4%**		
A. CapEx of taxonomy eligible activities (A.1+A.2)		**3,664**	**11.2%**														**15.3%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of taxonomy-non-eligible activities (B)		**29,175**	**88.8%**																
TOTAL (A + B)		**32,839**	**100.0%**																

Proportion of CapEx/Total CapEx	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	**6.7%**	**11.2%**
CCA	0.0%	11.2%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

OPERATING EXPENSES (OpEx)

As part of the Taxonomy Regulation, companies are required to publish their corresponding operating expenses in addition to the share of taxonomy-eligible and taxonomy-aligned sales and investments.

For this reason, POLYTEC has considered the total operating expenses of the past year, similar to the procedure used to determine the other two performance indicators. Specifically, the expenses predefined under the Taxonomy Regulation related to repair and maintenance costs, research and development costs and leasing were used here.

In a first step, attention was also paid to the product groups identified for the calculation of the sales-related KPI when calculating this performance indicator. This results in a proportional allocation of taxonomy-eligible and taxonomy-aligned maintenance costs in accordance with item E. 5. Other operating expenses and research and development costs related to the economic activities CCM 3.1 Manufacture of renewable energy technologies, CCM 3.4 Manufacture of batteries, CCM 3.6 Production of other low-CO2 technologies, CCM 3.17 Production of plastics in primary forms and CCM 3.18 Manufacture of automotive and automotive components. Mobility components.

For the collection of taxonomy-eligible leasing costs, in addition to the proportional allocation of the item "Other rental and leasing expenses", the focus was on the costs for leased hybrid and electric cars of employees. This operating expenditure could be allocated to economic activity CCM 6.5 Transport of motorbikes, passenger cars and light commercial vehicles. Since hybrid vehicles do not result in a complete reduction in greenhouse gas emissions and thus do not make a significant contribution to climate protection according to the technical assessment criteria, the leasing costs in this context were exclusively included in the taxonomy. In addition, corresponding building leasing costs have been allocated to the taxonomy-eligible share of economic activity CCM 7.7 Acquisition of and ownership of buildings.

Research and development costs were allocated based on the defined product groups within the framework of taxonomy-eligible and taxonomy-aligned sales. Corresponding percentages from the sales-related performance indicator were used as a key for the allocation and thus assigned to activities CCM 3.1, CCM 3.4, CCM 3.6, CCM 3.17 and CCM 3.18. For the calculation of the taxonomy-eligible OpEx costs, the share of operating expenses related to taxonomy-eligible economic activities, i.e. the taxonomy-eligible share of expenditure related to research and development, leasing and maintenance and repair (= numerator) was thus compared to the total operating expenses (= denominator) according to the Taxonomy Regulation. The specific composition of the denominator is subsequently found in the text. Since POLYTEC was unable to identify taxonomy-eligible revenue in the context of the economic activity CCM 3.18 Manufacture of automotive and mobility components, no associated OpEx share was accordingly included in the numerator of the calculation of taxonomy-eligible operating expenses.

POLYTEC chose a similar approach for the collection of taxonomy-aligned OpEx costs and excluded leasing costs as well as operating, research and development costs in connection with the economic activities CCM 3.17 Manufacture of plastics in primary form and CCM 3.4 Manufacture of batteries from the numerator, as these fall exclusively into the taxonomy-eligible part of the OpEx costs.

The OpEx costs of the POLYTEC GROUP in 2024 in the denominator correspond to the items in the annual financial statements. However, the total OpEx costs calculated in accordance with IFRS could not be used here, as the Taxonomy Regulation provides a slightly different definition of OpEx. The relevant operating expenses were therefore specifically evaluated in order to correctly carry out the calculation in accordance with the Taxonomy Regulation.

For the calculation of the OpEx-related performance indicator, maintenance costs of EUR 15,675 thousand and other rental and leasing expenses of EUR 3,597 thousand were used as the denominator of the OpEx-related performance indicators listed in the annual financial statements under item E. 5. Other operating expenses, supplemented by leasing expenses for corresponding company vehicles at EUR 152 thousand and for buildings at EUR 353 thousand. The actual research and development costs of EUR 575 thousand were added to this amount. In total, the total amount of OpEx costs in the denominator is EUR 20,352 thousand.

OpEx share of goods or services related to taxonomy-aligned economic activities – disclosure for the year 2024

Fiscal year 2024		Year 2024		Substantial contribution criteria						DNSH-Criteria ("Do No Significant Harm")									
Economic activities (1)	Code (2)	OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of taxonomy aligned (A.1) or eligible (A.2) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		Currency (in EUR k)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	26	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.4%	E	/
Manufacture of other low carbon technologies	CCM 3.6	3,800	18.7%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5.9%	E	/
Manufacture of automotive and mobility components	CCM 3.18	661	3.2%	Y	N	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5.2%	E	/
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**4,487**	**22.1%**														**11.5%**		
Thereof enabling activities		4,487	100.0%														100.0%	E	
Thereof transitional activities		0	0.0%														0.0%		/
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of batteries	CCM 3.4	569	2.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								1.3%		
Manufacture of other low carbon technologies	CCM 3.6	2,001	9.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								14.8%		
Manufacture of plastics in primary form	CCM 3.17	176	0.9%	EL	EL	N/EL	N/EL	N/EL	N/EL								1.0%		
Transport with motorbikes, passenger cars and light commercial vehicles	CCM 6.5	152	0.7%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.5%		
Acquisition and ownership of buildings	CCM 7.7	353	1.7%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**3,251**	**16.0%**														**17.6%**		
A. OpEx of taxonomy eligible activities (A.1+A.2)		**7,738**	**38.1%**														**29.1%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		**12,614**	**61.9%**																
TOTAL (A + B)		**20,352**	**100.0%**																

Proportion of OpEx/Total OpEx	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	**22.1%**	**38.1%**
CCA	0.0%	38.1%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Standard templates for the disclosure referred to in Article 8(6) and (7)

In addition, the Taxonomy Regulation requires the publication of an additional template in accordance with Article 8(6) and (7) with regard to activities in the nuclear energy and fossil gas sectors.

Since POLYTEC does not carry out any economic activities in this area, the following reporting form can be answered with "No" throughout. Subsequently, for this reason, there is no need to report the associated further reporting forms.

The information referred to in Article 8(6) and (7) shall be presented for each applicable key performance indicator (KPI) in the following manner.

Template 1 – Nuclear and fossil gas activities

Row	Activities	
	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

ESRS E1 CLIMATE CHANGE

Governance

Disclosure requirement in the context of ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes

In accordance with the current remuneration policy, no climate-related incentive systems related to the reportable GHG emission reduction targets have currently been agreed at POLYTEC. In this respect, no climate-related considerations had to be included in the evaluation of the remuneration of the management bodies or the board of directors in E1.

Strategy

Disclosure Requirements in Connection with ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In 2024, POLYTEC conducted a comprehensive resilience analysis along the entire value chain to identify the resilience of the business model to climate-related risks and opportunities. The time horizons were defined according to ESRS 2 and both physical risks (e.g. extreme weather events) and transition risks (e.g. market shifts and regulatory requirements) were analysed.

Recognized climate scenarios, including the IPPC 1,5°C pathway and the RCP 2.6, 4.5 and 8.5 climate scenarios up to 2050, were used to assess the potential impact on the business model and strategy. The result, taking the RCP 8.5 climate scenario model into account, shows that an annual loss of over EUR 15 million is to be expected in 2050. Specific information on the analysis can be found in the item ESRS 2 IRO-1.

The decline in sales of combustion vehicles due to customer requirements and the market shift towards a more climate-friendly economy was identified as a significant climate-related transition risk. The potential annual financial impact is estimated at over EUR 10 million in the medium and long term. At the same time, this presents the opportunity to expand the product portfolio for electromobility, in which an annual potential of over EUR 25 million is expected in the long term.

These results of the resilience analysis are directly incorporated into POLYTEC's investment decisions and capital allocation. This includes investments in new production plants to expand the electromobility portfolio, the expansion of photovoltaic systems at production sites, and measures for climate-resilient infrastructure.

In order to continuously ensure the resilience of the business model, the resilience analysis will be updated annually and will be directly incorporated into POLYTEC's capital allocation and investment strategy. In the short term, the focus is on the implementation of measures to reduce greenhouse gas (GHG) emissions and increase energy efficiency. In the medium term, POLYTEC GROUP will concentrate on establishing sustainable production processes and adapting its product portfolio. In the long term, the entire value chain is to be transformed towards climate-neutral production.

Impacts, risks and opportunities management

Disclosure requirement in the context of ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

In order to identify the main climate-related effects, and opportunities and thereby recognize physical and transition risks, POLYTEC carried out the double materiality analysis for the first time in the reporting year and considered the results of the climate risk and vulnerability analysis. In each case, the time horizons defined in accordance with ESRS 2 (see ESRS 2 BP-2) were applied, which are based on the expected life of its assets oriented on POLYTEC's strategic planning horizons and capital allocation plans. In addition, changes in the areas of politics and law, restructuring of the markets, technological developments and changes in the image of POLYTEC were also taken in the analyses into account.

Double materiality analysis

The double materiality analysis was carried out based on the ESRS guidelines over a period of several months, for the company itself, as well as the upstream and downstream value chain. The assessment of the financial materiality and the company's impact on climate change was based on the probability of occurrence, scope, magnitude, as well as the irreversibility of negative impacts. For the analysis a climate scenario, which limits global warming to 1.5°, was considered.

The results showed that greenhouse gas emissions play a key role in climate change and have significant negative impacts. These are primarily caused by direct and indirect emissions in the core process (Scope 1 & 2), the use of petroleum-based raw materials, and the transportation of products and waste. Positive effects can be generated by

supporting energy transition and decarbonization, for example by manufacturing components for e-mobility and renewable energy units, as well as by reducing own emissions through self-generated renewable energy.

POLYTEC evaluates its actual and potential impacts on climate change by means of a systematic procedure for determining and analysing its GHG emissions. Here, emissions in Scope 1, Scope 2 (location- and market-based) and, since 2024, significant Scope 3 categories are systematically recorded. The calculation is based on recognized emission factors, including those from the International Energy Agency (IEA), the German environment agency, environmental protection agency (EPA), and EcoInvent. Through regular data collection and monitoring processes, POLYTEC ensures that emission sources are precisely recorded, and reduction potentials are identified.

Market trends, expected regulatory adjustments, and the geographical characteristics of the locations were taken into account to determine the main climate-related transition events. The potential transition events were derived from this, and the material risks and opportunities were determined according to their financial impact, probability of occurrence, and strategic relevance. The decline in sales due to the switch to e-mobility, as well as changes in user behaviour and stricter customer requirements, were identified as a significant climate-related risk. At the same time, two material climate-related opportunities were identified: increasing energy independence through the generation of renewable energies for self-consumption and the expansion of the POLTEC product portfolio in the field of e-mobility.

The double materiality analysis is updated annually, and greenhouse gas emissions are regularly recorded and reviewed. The aim is to identify actual and potential future sources of greenhouse gas emissions at an early stage, along with other climate-related impacts across the value chain. The knowledge gained is continuously incorporated into the further development of the "Go neutral 2035" climate strategy and supports emission reduction targets along the entire value chain.

Climate risk- and vulnerability analysis

The climate-related physical risks in the company's own operations were determined as a part of climate risk and vulnerability analysis. The climate scenarios RCP 2.6, 4.5 and 8.5 and the time frame up to 2050 were selected for the assessment. The process involved a qualitative and quantitative analysis of exposure and vulnerability to the most significant climate-related chronic and acute hazards. On the one hand, the operating sites were evaluated (size, structure, age, property value, etc.), on the other hand their exposure to climate hazards, associated potential effects and the sensitivity of the site were assessed.

The location-based risk analysis evaluated the vulnerability of assets and business activities to physical climate hazards. The probability, scale and duration of potential hazards were considered for the specific geographical coordinates of the sites. The analysis is based on well-founded climate scenarios of the IPCC and includes not only moderate climate change (RCP 2.6), but also climate scenarios with high emissions and strong climatic impacts (RCP 8.5). This ensures that physical climate risks can be realistically assessed and targeted measures for adaptation and risk minimization can be derived.

The result of the analysis shows that the greatest impacts are caused by heat waves and temperature fluctuations. They lead to damage to the elastic modules of components, increased electricity consumption costs, and loss of productivity. Potential annual losses over EUR 13 million have been calculated. Heavy rainfall also plays a role, but with a significantly lower damage potential of around EUR 1 million.

Conclusion

POLYTEC has identified assets and business activities that pose challenges in the transition to climate neutrality. Production processes, materials and products were examined regarding their compatibility with CO_2 reduction, energy efficiency, and the EU taxonomy (EU 2020/852).

While many areas are already geared towards sustainability, energy-intensive processes and materials that are difficult to replace require additional measures. POLYTEC is therefore working on alternative materials, energy-efficient processes, and renewable energies in order to promote this transformation and achieve climate neutrality in the long term.

The financial assumptions in the financial statements reflect these factors, for example by considering potential cost increases due to CO_2 regulations and increasing energy prices, as well as investments in sustainable technologies and products. In addition, market changes and regulatory developments are monitored and compared with financial planning. This ensures that climate-related risks and opportunities are consistently incorporated into financial planning.

Disclosure requirement E1-2 – Policies related to climate change mitigation and adaptation

With its "Go Neutral 2035" initiative, POLYTEC is pursuing a group-wide climate strategy to reduce GHG emissions, manage climate-related risks and seize opportunities. The aim is to achieve CO_2-neutral production by 2035, taking location-specific circumstances into consideration.

This strategy addresses material climate-related impacts that were identified through the double materiality analysis. These are mainly caused by GHG emissions along the entire value chain, mainly in the following areas:

- Production of raw materials and intermediate products
- GHG emissions from stationary and mobile combustion, refrigerant use and process emissions (Scope 1)
- Indirect GHG emissions through the purchase of energy in the form of electricity and heat (Scope 2)
- GHG emissions from transport (Scope 3)

At the same time, POLYTEC contributes to reducing emissions through the production of e-mobility components and self-generated renewable energy.

The double materiality analysis also made it possible to identify the financial impact on the company in the form of material transition risks and opportunities.

In order to counteract the existing impacts and risks and to make use of opportunities, policies have been established in five different areas:

1) Climate protection

In the area of climate protection, POLYTEC focuses on the reduction of GHG emissions along the value chain and already takes CO_2 emissions into consideration during the procurement of plants and machines. Moreover, the company integrates sustainability requirements into the supply chain via the POLYTEC Code of Conduct for Suppliers and intends to take greater account of the CO_2 footprint when awarding transport contracts. In addition, more efficient packaging and logistics management shall reduce the number of transports and thus emissions. For the future, the replacement of energy-intensive production machinery and the conversion of processes to gas substitution are planned.

2) Adaptation to climate change

In order to minimize the risk and counteract the market development towards lower-emission technologies, POLYTEC is continuously expanding its product portfolio in the field of e-mobility. This is intended to achieve a strategic adaptation to the changes in the automotive industry. To realize additional long-term adaptation to climate change, the company intends to share its own sustainability requirements and customer requirements with the supply chain.

3) Energy efficiency

POLYTEC relies on comprehensive energy management to continuously optimize its energy consumption. Thanks to the ISO 50001 certified energy management system, potential savings are identified and implemented in a targeted manner. Other core elements include reducing energy consumption through new investments in machinery and equipment, and the refurbishment of buildings.

4) Use of renewable energies

POLYTEC encourages the gradual conversion to green electricity and is increasingly focusing on the in-house production of renewable energy. Since the base year 2020, more than half of the sites have been using green electricity, and further conversions of 3 sites are already planned for 2025. In addition, some facilities are already producing their own renewable energy with newly installed photovoltaic systems, and further expansion is planned. The use of power purchase agreements (PPAs), especially with a focus on wind power, is currently being examined as a supplement to PV generation. The conclusion of the first PPA is planned for 2027/2028, when existing electricity supply contracts expire.

5) Other

In addition to the above-mentioned policies, POLYTEC focuses on research and development of sustainable materials, aiming to further advance decarbonization of the company and the entire value chain. The Engineering department is continuously working to reduce the ecological footprint. Additional considerations in the areas of circular economy, waste management, and green mobility also help to reduce emissions and increase resources efficiency.

Moreover, emphasis is placed on raising awareness of sustainable issues among employees. Training courses and targeted communication measures on climate-related topics, energy efficiency, and sustainable behaviour are intended to create an overall awareness of environmentally friendly action and to promote active participation in the company's sustainability goals.

Supervision and monitoring

The implementation of the climate strategy is managed by the top management level, which is also responsible for integrating it into the corporate strategy. An ambition paper was formulated, which was recognized and signed by the Board of Directors.

Progress is monitored through regular monitoring and internal and external review processes. Relevant key figures, such as the development of Scope 1 and 2 emissions and, in the future, Scope 3, are continuously monitored and compared with the strategic targets.

In addition, the annual findings from the ISO 14001, ISO 50001 audits, and internal energy and environmental management programs are incorporated into the strategic considerations. POLYTEC actively takes the interests of the most important stakeholders into account, especially regarding sustainable procurement, energy efficiency measures, and circular economy.

Disclosure requirement E1-3 – Actions and resources in relation to climate change policies

The main impact of the company's operations on the environment is the emission of greenhouse gases (GHG), which contribute significantly to climate change. As part of the POLYTEC's pathway to decarbonisation, measures have been defined and ambitious targets have been set to mitigate these effects.

1) Climate protection

POLYTEC's climate strategy includes numerous measures for decarbonization. The company focuses on reducing GHG emissions in its own operations and, as far as possible, along the value chain. Important measures include the selection of sustainable raw materials and suppliers, enhancement of energy efficiency in production, and reduction of greenhouse gas. For the downstream value chain, the focuses are on recyclability, optimizing use of materials, and lightweight design concepts to reduce CO_2 in the use phase.

A central focus in its own operations is the reduction of energy consumption and the associated emissions. Among other things, POLYTEC addresses the modernization of inefficient production facilities and energy-saving measures. In addition, the use of waste heat as a substitution measure is gaining in importance. Furthermore, POLYTEC tries to increase the use of recycled raw material and optimize the use of production waste. In addition, improvements in logistics, for example more efficient route planning, better load utilization, and standardized packaging are intended to reach further reduction of emissions.

2) Adaptation to climate change

POLYTEC relies on the continuous development and optimization of products in the field of e-mobility and lightweight design to actively shape the change in the automotive industry. The systematic integration of environmental and climate criteria into supplier selection reduces climate-related risks throughout the value chain.

To identify climate-related risks of operation sites at an early stage, a site-specific risk analysis for all POLYTEC plants has been carried out annually. In this way, necessary adaptation measures can be identified and implemented in good time.

Another focus is on research and development of climate-friendly materials. POLYTEC is continuously working on increasing the use of recycled raw material and sustainable materials, developing of new recycling options in order to ensure resource-saving production in the long term.

3) Energy efficiency

In accordance with the Energy Efficiency Act and the environmental and energy management systems (ISO 14001 and ISO 50001), the company implements targeted measures to increase energy efficiency, ensuring that legal requirements are met. The key measures include the gradual conversion to green electricity, the integration of power purchase agreements by 2027/2028 and the energy efficiency optimization of plants.

The external certifications are supplemented by an internal energy efficiency action plan. A key component of the measures is the annual management review, in which each site assesses the status quo on various topics, compares it with the previous year, and defines concrete measures for the following year, in case of deterioration or lack of improvement.

In addition, specific energy audits are carried out with action plans. In the Netherlands, a state-sponsored energy audit is also being carried out, which shows further potential for increasing energy efficiency. In Germany and Austria, energy-saving measures are evaluated according to the VALERIE methodology and published.

POLYTEC has created its own tool for managing energy-saving measures. In 2024, a saving of 1,929 MWh of electricity and 402 MWh of gas was achieved. This is a GHG

emission reduction of 688 tCO_2e in total. The table below breaks down the savings achieved by energy type and country:

Country	Type	Savings (MWh)	Reduction (tCO_2e)
AT	Electricity	789	110
CZ	Gas	228	46
DE	Gas	50	10
	Electricity	1,105	483
NL	Gas	124	25
	Electricity	35	14
Total		**2,331**	**688**

4) Use of renewable energies

The important measures of renewable energy in 2024 are the commissioning of the PV systems in Lohne and the expansion of existing PV systems in Hörsching. An annual yield of around 1,500 MWh is expected from the PV systems. They secure a CO_2-neutral power supply in the long term and contribute to the expansion of renewable energies. Although they are not directly associated with any CO_2 savings, as the purchased electricity is already green, this measure contributes to the company's sustainable energy independence and energy security.

Further investments in the company's own renewable energy production, energy efficiency improvement of production facilities, and alternative technologies for CO_2 reduction are planned for the coming years. In the long term, the substitution of gas is also planned, although the implementation depends on technological advances and is not expected to be realized until 2030.

5) Other

Implementing the climate strategy requires significant operational (OpEx) and capital expenditure (CapEx). For this reason, POLYTEC regularly examines sustainable financing instruments such as green bonds and loans, as well as government subsidies to support investments in renewable energies, energy efficiency and CO_2 reduction. In the current reporting period, funds were provided in particular for the conversion to green electricity, the expansion of renewable energies, the optimization of production processes, and annual efficiency measures. In addition, investments in research and development (R&D) for the use of low-emission and recycled materials are included in the long-term financial planning. Continued access to financial resources with a low cost of capital remains a key factor.

Corresponding investments in energy efficiency and sustainable products in the financial year 2024 are reflected in the disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation). Likewise, the operating expenses incurred, such as corresponding maintenance costs. Regarding planned investments, POLYTEC has already announced capital expenditures of around EUR 4 million for the financial year 2025.

No complaints on environmentally relevant topics were received via the POLYTEC whistleblower portals in the reporting year, see ESRS G1-3 for details. Accordingly, no direct or demonstrable material negative effects were found that would require remedial actions.

Metrics and targets

Disclosure requirement E1-4 – Targets related to climate change mitigation and adaption

In line with the "Go Neutral 2035" strategy, a complete reduction of Scope 1 and 2 emissions to zero is to be achieved by the target year. In addition, emission targets for the upstream and downstream supply chain are planned based on Scope 3 emissions. The overarching goal is to achieve full decarbonization by 2050, which would be in line with the European Green Deal's goal.

The specific combined intermediate targets for Scope 1 and 2 are as follows: For the 2025 financial year, the ambitious target is set to reduce combined emissions to 21,000 tCO_2e, which would correspond to a reduction of 55% compared to the base year 2020 (46,537 tCO_2e). By 2030, further 3,500 tCO_2e are to be decarbonized, which corresponds to an additional reduction of approx. 8% to 17,500 tCO_2e. The goal of CO_2-neutral production (net zero) for Scope 1 and 2 by 2035 remains unchanged.

In order to achieve CO_2-neutral production, the goals were specified as follows:

Short- to medium-term target (by 2030)

- Increasing energy efficiency through targeted measures to reduce consumption and optimize processes
- Conversion to CO_2-neutral energy sources by switching to green electricity and expansion of photovoltaic systems at POLYTEC sites, as well as long-term Power Purchase Agreements (PPAs) until 2027/2028
- Obtaining 90% of the electricity mix from CO_2-neutral sources

- Increased integration of climate criteria into the supply chain (Code of Conduct and Code of Conduct for Suppliers)
- Achieving the targets of reducing environmental impact and improving energy efficiency according to ISO 14001 and 50001

Long-term target (by 2035)

- Substitution of fossil fuels, by phasing out the use of natural gas, as far as technologically possible
- Increasing the share of recycled and sustainable materials

Very long-term target (by 2050)

- Reduction of Scope 3 emissions to net zero, beginning with analysis results from 2024

The main levers and their expected contribution to emission reduction are:

- Energy efficiency, process optimization, and consumption reduction are expected to save 15% of Scope 1 and 2 emissions by 2030
- Conversion to renewable energies (incl. use of green electricity) and expansion of photovoltaic systems, as well as long-term Power Purchase Agreements (PPAs) enable a reduction of over 30% of emissions
- Fuel switching and gas substitution or the use of alternative energy sources only has a long-term effect (between 2030 and 2035) and has a savings potential of around 55%

Background information and assumptions

The targets refer to a relative reduction of greenhouse gas emissions, which measured in tCO_2e per year, and extend to all POLYTEC sites. The objectives are based on a combination of internal calculations, regulatory requirements (EU taxonomy, European Green Deal), and scientific findings (e.g. IPCC emission scenarios). Although there is currently no external validation by organizations such as the Science Based Targets initiative (SBTi), the targets have been aligned with limiting global warming to 1.5°C. The requirements of the EU Green Deal, in particular the target of climate neutrality by 2050, serve as an overarching vision.

Various scenarios were included to set the emission reduction targets, including future regulatory developments, market requirements, and technological advances. Future developments, such as changes in sales volumes and changes of customer preferences or regulatory requirements, are continuously evaluated and integrated into the strategy. The reduction targets are gross targets, i.e. the removal of greenhouse gases, the use of CO_2 certificates, or the offsetting of avoided emissions are not considered as a means of achieving the GHG emission reduction targets.

Monitoring

POLYTEC has integrated sustainability requirements into its business strategy. Investment approvals are always given by management and by plant management to ensure the involvement of top management and to obtain a central overview.

The achievement of goals is tracked through regular internal audits and the annual management review, where the progress is evaluated, and new measures are introduced. Specific progress indicators, in particular for Scope 1 and Scope 2 emissions, are recorded and analysed annually in order to review the effectiveness of the measures.

The consideration of all GHG emissions (Scope 1, 2 and 3) ensures the holistic establishment of the decarbonization strategy. In addition, the targets are directly related to the material impacts, risks and opportunities identified in the double materiality analysis.

Conclusion

POLYTEC recognizes the necessity of adaptation of the products and service portfolio as part of decarbonization. Increasing demands on climate-friendly materials and processes require the continuous integration of new technologies. The transformation towards low-emission processes depends on technological progress and their economic feasibility, which is why POLYTEC is continuously working on their integration into the value chain.

Disclosure requirement E1-5 – Energy consumption and mix

The table below gives a detailed overview of POLYTEC's energy consumption. It contains information on the total amount of energy usage and the composition of the primal energy sources. Total energy consumption is divided by energy sources to ensure a transparent presentation:

Total energy consumption (in MWh)	2024
Fuel consumption from coal and coal products	0
Fuel consumption from crude oil and petroleum products	4,152
Fuel consumption from natural gas	62,227
Fuel consumption from other fossil sources	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	14,874
Total fossil energy consumption	**81,253**
Share of renewable sources in total energy consumption (%)	45.0%
Total nuclear energy consumption	**4,257**
Share of consumption from nuclear sources in total energy consumption	2.4%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	93,512
The consumption of self-generated non-fuel renewable energy	1,487
Total renewable energy consumption	**94,999**
Share of renewable sources in total energy consumption (%)	52.6%
Total energy consumption	**180,509**

In addition to self-generated renewable energy through photovoltaic systems (1,487 MWh in 2024), POLYTEC also generates electricity and heat via a combined heat and power plant (CHP) located in Austria. In 2024, 987 MWh of electricity was generated in this way, of which 577 MWh were consumed by the company itself, and 410 MWh were fed into the grid.

Energy intensity based on net sales

POLYTEC belongs to the plastics processing industry, which is considered an energy-intensive sector. The company's activities fall into the climate-intensive sector or NACE sector C: Manufacturing/Manufacturing of goods. The following table shows the total energy consumption and net sales revenues, and puts them in relation to each other:

Energy intensity per net revenue	2024
Total energy consumption from activities in high climate impact sectors (MWh)	180,509
Net revenue from activities in high climate impact sectors (million EUR)	678
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/m EUR)	266

Connectivity of energy intensity based on net sales with financial reporting information

In the 2024 financial year, consolidated net sales of 677,831 thousand Euro were generated (see consolidated income statement). This turnover figure corresponds to the net turnover used to calculate the energy intensity. There are no other revenues.

Disclosure requirement E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

The following table provides an overview of gross GHG emissions according to Scope 1, 2 and 3. In addition, Scope 3 emissions are broken down by relevant subcategories to enable a detailed assessment of indirect emissions along the value chain. Finally, the sum of total GHG emissions is also presented:

in tCO_2e	2024
Gross Scope-1-GHG-emissions	**14,220**
Scope 2 GHG emissions	
Gross location-based Scope 2 GHG emissions (tCO_2e)	39,904
Gross market-based Scope 2 GHG emissions (tCO_2e)	10,230
Significant scope 3 GHG emissions	
Total Gross indirect (Scope 3) GHG emissions (tCO_2e)	2,784,180
1) Purchased goods and services	542,258
2) Capital goods	13,024
3) Fuel and energy-related Activities (not included in Scope1 or Scope 2)	8,276
4) Upstream transportation and distribution	3,727
5) Waste generated in operations	7,554
6) Business traveling	304
7) Employee commuting	4,025
8) Upstream leased assets	165
9) Downstream transportation	50,546
11) Use of sold products	2,152,528
12) End-of-life treatment of sold products	1,774
* Biogenic GHG emissions (separate from gross GHG emissions)	72
Total GHG emissions	
Total GHG emissions (location- based)	2,838,303
Total GHG emissions (market-based)	2,808,629

Scope 1 GHG gross emissions

Since 2020, POLYTEC has been recording the direct greenhouse gas emissions generated by the operation of its own plants, machines, and vehicles within the organization. This includes the consumption of natural gas, fuels and emissions from refrigerants. In the reporting year, emissions were below the previous year's level due to the implementation of energy saving measures and consumption reduction measures at some locations.

Scope 2 GHG gross emissions

Scope 2 emissions include all indirect greenhouse gas emissions caused by the purchase of electricity, heating and cooling. In the reporting year, these emissions were recorded and calculated using both market-based and location-based methods for the first time. This led to an adjustment of the calculation method and thus changes in the overall result.

The following table shows Scope 1 and Scope 2 emissions (both location-based and market-based) broken down by location and country:

in tCO_2e				2024
Site location	**Country**	**Scope 1**	**Scope 2 (Location-based)**	**Scope 2 (Market-based)**
Ebensee	AT	51	3,035	0[1)]
Hörsching	AT	1,638	782	2
Schoten	BE	53	35	-
Tianjin	CN	5	1,585	1,148
Chodová Planá	CZ	1,552	3,539	2,036
Altenstadt	DE	857	184	-
Gochsheim	DE	2,072	3,067	-
Lohne	DE	674	7,417	1
Thannhausen	DE	69	257	-
Voerde	DE	1,128	2,324	-
Weierbach	DE	2,036	3,041	0[1)]
Wolmirstedt	DE	23	3,014	-
Komló	HU	300	454	405
Roosendaal	NL	737	6,218	1
Sládkovičovo	SK	829	459	385
Detroit	US	133	164	159
Bridgnorth	UK	34	31	52
Bromyard	UK	830	815	1,374
Telford	UK	1,194	1,172	1,976
South Africa	ZA	7	2,312	2,690
POLYTEC GROUP		**14,220**	**39,904**	**10,230**

[1)] Value above 0, below 0.5

The use of green electricity has already significantly reduced Scope 2 emissions compared to the base year 2020. The aim is to supply all sites with renewable energies to achieve further reduction of indirect emissions. The distinction between market-based (actual data provided by electricity supplier) and location-based (average national energy mix) allows more accurate assessment of progress along the decarbonization pathway. Since energy suppliers consider their emissions from renewable and biogenic energy sources as carbon neutral with emission factor at zero tCO_2e/kWh, the biogenic carbon emissions are not considered in the calculation of Scope 2 emissions

Scope 3 GHG gross emissions

Scope 3 emissions include all indirect greenhouse gas emissions that occur along the upstream and downstream value chain, which are not directly under the company's control. The Greenhouse Gas Protocol defines 15

categories for this purpose, of which 11 have been identified as relevant for POLYTEC. The main drivers of emissions within the company are categories 3.1 "Purchased goods and services" and 3.11 "Use of products sold". The following categories of Scope 3 emissions were omitted due to lack of relevance:

- Scope 3.10: No significant further processing of finished products by the customer
- Scope 3.13: No plants, machines, vehicles or buildings will be rented to third parties
- Scope 3.14: Exclusion, as no franchise relationships are operated
- Scope 3.15: Emissions in this category are already included in Scope 1 and 2, as investment entities are under the company's operational control

POLYTEC consumes heat from a wood chip plant at its site in Ebensee. These biogenic emissions, as well as emissions from electricity generated by biomass, are reported under the Scope 3.3 category. In the detailed table on Scope 3 emissions, which are listed per country and category, the biogenic emissions are shown separately.

Scope 3 emissions were calculated using a spreadsheet program. The emission factors used for calculation are from recognized scientific data banks, including EcoInvent, EPA (Environmental Protection Agency, USA), Exiobase, BAFA (German Federal Office of Economics and Export Control) and the Austrian federal environment agency (UBA). As far as possible, the emissions were calculated based on the actual quantities, distances or consumption (average data method). If the relevant data was not available internally, the calculation was carried out on a spend-based basis. For some categories, the hybrid method was chosen, where one part was calculated using the quantity-based method and the rest using the spend-based method. The basic data always stems from the company's own information, with the exception of certain assumptions and thus extrapolated data.

As this is the first year of the calculation of Scope 3 emissions, the data quality of some sites is incomplete, which is why extrapolation based on sales volume had to be made to ensure full coverage of emissions.

The table below provides detailed emission values in tCO_2e for each relevant POLYTEC Scope 3 category, broken down by country.

Country	3.1.	3.2.	3.3.	3.3.[1)]	3.4.	3.5.	3.6.	3.7.	3.8.	3.9.	3.11.	3.12.	Sum
AT	122,474	3,046	1,528	7	708	1,078	76	610	31	5,715	174,844	333	310,443
BE	4,170	-	21	-	24	7	0 [2)]	31	-	341	26,579	15	31,187
CN	6,931	19	108	0 [2)]	40	36	3	60	-	566	37,282	24	45,069
CZ	2,469	1,871	593	1	127	387	0 [2)]	119	29	2,276	118,940	109	126,919
DE	352,271	7,325	3,557	57	1,945	3,939	160	2,113	48	33,416	1,170,091	838	1,575,703
HU	8,712	413	181	-	85	294	1	228	-	161	84,599	52	94,725
NL	27,167	-	881	-	301	554	46	288	-	4,235	247,299	189	280,960
SK	1,379	350	322	1	327	365	0 [2)]	137	0 [2)]	2,096	82,080	60	87,116
US	480	-	47	-	19	1	5	29	0 [2)]	336	9,864	6	10,787
UK	11,559	-	950	6	117	870	12	360	57	1,156	151,931	123	167,135
ZA	4,647	-	88	-	35	23	-	49	0 [2)]	249	49,018	24	54,133
Sum	**542,258**	**13,024**	**8,276**	**72**	**3,727**	**7,554**	**304**	**4,025**	**165**	**50,546**	**2,152,528**	**1,774**	**2,784,180**

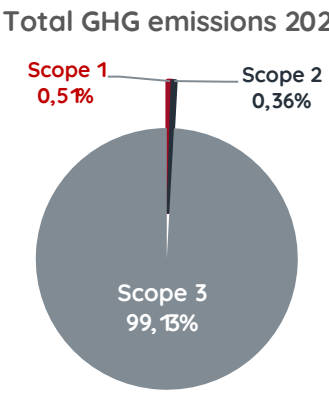
[1)] Biogenic GHG emissions (separate from GHG Scope)
[2)] Value above 0, below 0.5

Total GHG emissions

Greenhouse gas emissions were calculated according to the "Green House Gas Protocol Corporate Standard" and the "Corporate Value Chain" of the World Resource Institute and the WBCSD. The organizational boundaries for GHG calculation are based on the "operational control approach" of the GHG Protocol. Accordingly, every organization that operates under the name of POLYTEC Holding AG is included in the organizational boundaries.

In the reporting year, full greenhouse gas emissions were reported for the first time. In addition to direct emissions from Scope 1 and indirect emissions from Scope 2, Scope 3 emissions across the upstream and downstream value chains were now also calculated. Moreover, this year, a distinction between the market-based and location-based methods was made for the first time in the Scope 2 area, which enables an even more precise presentation of the

emissions balance. The chart below shows the relation of three scopes in percent:



Greenhouse gas intensity based on net sales

The following table shows the total GHG emissions in relation to net sales revenue and shows the distinction between the location-based and market-based calculation method:

in tCO_2e/EUR Mio.	2024
Total GHG emissions (location-based) per net revenue	4,187
Total GHG emissions (market-based) per net revenue	4,144

Connectivity of greenhouse gas intensity based on net sales with financial reporting information

The connectivity of greenhouse gas intensity is based on net sales results from the ratio of total GHG emissions to total net sales revenues. Since the company does not report any other net sales, the total net revenue of the POLYTEC GROUP was used to calculate greenhouse gas intensity. This key figure makes it possible to show the company's climate impact in relation to its economic performance and provides an important basis for assessing emissions reductions in the coming years.

ESRS E2 POLLUTION

ESRS 2 General disclosure

As part of the POLYTEC sustainability strategy, the company pursues a holistic approach to preventing and reducing environmental pollution along the value chain. Responsibility for implementing such measures lies with the Board of Directors, while the operating units are responsible for collecting environmental data and monitoring regulatory requirements.

The company's approach includes the identification of major sources of pollutants, especially emissions to air, water and soil, as well as the implementation of preventive measures, and compliance with regulatory requirements.

Regular monitoring and reporting are carried out within the framework of the company's internal environmental management system, which is certified in accordance with ISO 14001. Through the continuous collection and analysis of environmental data, POLYTEC creates transparency and improves its own performance in the field of environmental pollution.

Impacts, risks and opportunities management

Disclosure Requirement in the Context of ESRS 2 IRO-1 – Description of the process to identify and assess the material pollution-related impacts, risks and opportunities

As part of the double materiality analysis, a systematic review of the company's own sites and business activities related to environmental pollution was carried out. The analysis of the entire value chain did not identify any significant direct environmental pollution from the company's own business activities.

However, potential negative impacts were identified in the upstream value chain, primarily through water and soil pollution in the production of raw material and extraction processes.

The assessment was carried out in accordance with ESRS 2 IRO-1 using the methods defined therein. If material risks or opportunities are identified in the future, the detailed categorization of suppliers can be carried out according to product groups. Relevant stakeholders were indirectly involved in the analysis to assess the potential impact.

Disclosure requirement E2-1 – Policies related to pollution

In the absence of a direct influence of the company's own business activities on environmental pollution in the upstream value chain, no specific policy had to be developed.

Disclosure requirement E2-2 – Actions and resources related to pollution

In the absence of a direct influence of the company's own business activities on environmental pollution in the upstream value chain, no specific measures had to be developed.

Metrics and targets

Disclosure requirement E2-3 – Targets related to pollution

POLYTEC has currently not set any measurable results-oriented targets, as no corresponding policy has yet been developed. However, the sustainability strategy is continuously reviewed to assess whether and when suitable policies or measures will be implemented. Since POLYTEC has not currently defined any corresponding policies or measures, there is no monitoring of impacts and therefore there are no specific targets, qualitative or quantitative indicators to assess progress.

Entity-specific disclosure

Since the standardized ESRS metrics do not reflect the special features of the company and existing key figures were classified as not relevant, an entity-specific key figure was used for E2. An analysis of the supplier management tool showed that no material environmental pollution in POLYTEC's upstream supply chain was reported in the 2024 financial year.

ESRS E3 WATER AND MARINE RESOURCES

Impacts, risks and opportunities management

Disclosure Requirements in the Context of ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

The double materiality analysis assessed whether there are material impacts, risks and opportunities related to water and marine resources. The analysis included a systematic review of the company's own assets, business activities, and the upstream and downstream value chain. Recognized assessment methods and sector-relevant frameworks were used.

The results show that the topic of water and marine resources was not classified as material for POLYTEC. This is particularly because the company's operations do not cause significant water consumption or have a significant impact on aquatic ecosystems. Accordingly, no more detailed analyses or measures are planned.

Due to the lack of materiality of the topic, no consultations with stakeholders were carried out. If future analyses reveal material topics, the interests of the stakeholders will be also considered.

Disclosure requirement E3-1 – Policies related to water and marine resources

There is currently no policy for this sustainability aspect, as it was identified as non-material in the double materiality analysis.

Disclosure requirement E3-2 – Actions and resources related to water and marine resources

There are currently no measures for this sustainability aspect, as it has been identified as non-material in the double materiality analysis.

Metrics and targets

Disclosure requirement E3-3 – Targets related to water and marine resources

POLYTEC has currently not set any measurable results-oriented targets, as no corresponding policy has yet been developed.

Since this area is not essential for POLYTEC, there is currently no specific follow-up of the effectiveness of policies and measures in this area. As long as this assessment does not change, no policy, measures, or goals are planned. There are currently no defined targets, qualitative, or quantitative indicators to assess progress.

Disclosure requirement E3-4 – Water consumption

As water consumption has been disclosed in previous annual reports and there is ongoing stakeholder interest, the total consumption is also reported for the financial year 2024. This amounted to 126,765 m³ across the group.

ESRS E4 BIODIVERSITY AND ECOSYSTEMS

Disclosure Requirements in Connection with ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The POLYTEC GROUP operates a total of 21 production sites in 11 countries, all of which are considered as material, as they cause emissions, consume raw materials, and generate waste due to their industrial activity. In addition, all locations are subject to the Group's operational control.

In rare cases, POLYTEC constructs new production sites or expands existing buildings and halls. In individual cases, this can lead to changes in land use or land sealing. However, the assessment of these impacts carried out in the double materiality analysis showed that these construction activities are not to be classified as material.

Another non-material situation was identified at the Telford site in the UK due to the relocation of employee parking lot to vacant areas next to the plant. Clarification is currently being sought with the local nature conservation authority, whether there are licenses necessary for construction work in an area protected for the crested newt, and corresponding applications have been made for the extension of the licenses. The analysis therefore showed that none of the sites has a material direct negative impact on biodiversity. The operating activities therefore did not lead to any significant impairment of natural ecosystems in the past financial year.

In rare cases, new areas are developed for new production sites. In doing so, POLYTEC always complies with the legal requirements and takes all environmental aspects and regulations into account to minimize negative impacts. Due to the low frequency of such new constructions and compliance with all environmental requirements, this impact was classified as non-material in the double materiality analysis.

The POLYTEC GROUP does not carry out any activities that have a direct impact on endangered species. The relocation of the parking lot in Telford, UK is being clarified and managed with the help of various consultants, endeavouring to further assess the impacts of construction on the crested newt within the framework of local environmental regulations to avoid a threat.

Impacts, risks and opportunities management

Disclosure requirement in the context of ESRS 2 IRO-1 – Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

As part of the double materiality analysis, the POLYTEC GROUP has identified material impacts, risks, dependencies, and opportunities in the area of biodiversity and ecosystems. The methodology is the same as for all other thematic areas and is described in Section IRO-1 of ESRS 2.

It was determined that the company's production sites do not have any material negative impact on biodiversity or ecosystems, as they are located in developed areas and do not cause significant interference with natural habitats. This assessment is based on a well-founded location analysis with recognized geographical data.

A material negative impact was only identified in the upstream value chain in connection with raw material extraction. Certain raw material extractions can affect natural habitats, yet they are outside the direct operational control of POLYTEC.

The company's own sites are not directly dependent on ecosystem services, as no sensitive resources are used. In the upstream value chain, however, there are dependencies on functioning ecosystems, especially in the extraction of raw materials. Due to the low financial materiality of these dependencies, no further detailed assessment was carried out.

Transition or physical risks related to biodiversity were not identified as material. Possible risks in the supply chain, for example stricter environmental regulations or ecological changes, were classified as non-material due to the lack of direct control by POLYTEC. Systemic risks were also not identified, as the production sites are located in industrial or commercial areas.

The company does not conduct direct consultations with affected communities, as no material negative impacts on biodiversity have been identified. Responsibility for consultations lies with the respective raw material suppliers. However, affected communities were included in the stakeholder engagement of the double materiality analysis.

POLYTEC's land use includes storage, production and traffic areas, with minimal impact on ecosystem services. New buildings can cause land sealing, but this is minimized by following legal environmental requirements and conscious selecting of location. Existing buildings are preferred in order to avoid interference with natural areas.

Since no site is located in or near protected areas and no site approval that would trigger a statutory EIA (Environmental impact assessment) was issued as part of ISO 14001 certification, thus there is no need for specific remedial actions.

All POLYTEC GROUP sites are subject to the applicable environmental laws and permitting procedures, including Directives 2009/147/EC (Birds Directive), 92/43/EEC (Fauna, Flora and Habitats Directive), as well as the requirements for environmental impact assessments (EIA) in accordance with Directive 2011/92/EU. These requirements were checked and complied with as part of new construction projects.

Disclosure requirement E4-2 – Policies related to biodiversity and ecosystems

POLYTEC has currently not developed any specific policy regarding biodiversity and ecosystems, as material impacts only arise in the upstream value chain, where neither the sources can be identified nor directly influenced.

Disclosure requirement E4-3 – Actions and resources related to biodiversity and ecosystems

POLYTEC has currently not designed any specific measures regarding biodiversity and ecosystems, as negative impacts only arise in the upstream value chain, where neither the sources can be identified nor directly influenced.

Metrics and targets

Disclosure requirement E4-4 – Targets related to biodiversity and ecosystems

POLYTEC currently has not set results-oriented targets, as there is neither a corresponding policy nor are there any significant impacts, risks or opportunities. In the future, possible methods for measuring success will be examined. There are currently no set targets or indicators to assess progress

Disclosure requirement E4-5 – Impact metrics related to biodiversity and ecosystem change

No location has been identified that is located in or near protected areas. Therefore, it is not necessary to specify the affected area.

ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY

Impacts, risks and opportunities management

Disclosure Requirement in the Context of ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

The company has assessed its impacts, risks and opportunities in resource use and circular economy as part of the double materiality analysis. To evaluate these aspects, POLYTEC uses various methods, including material flow analyses, life cycle analyses (LCA), and internal data analyses.

The main material impacts are the depletion of non-renewable resources and waste generation. POLYTEC meets these challenges with circular approaches, including the use of recycled raw materials, waste reduction through recycling, and the development of sustainable products.

There are financial risks related to rising material costs due to scarcity of raw materials and limited material recycling availability. In addition, materials that are difficult to recycle such as SMC, GMT, and LFT could become obsolete in the long term, which would require product adaptations and restrict the choice of materials.

POLYTEC has taken affected communities into account in the double materiality analysis. However, there was no direct exchange with community representatives or residents, etc., as no material negative effects on these groups were identified. No complaints were received via the whistleblower portals in the reporting year.

Disclosure requirement E5-1 – Policies related to resource use and circular economy

No specific policy or measures have yet been developed for this sustainability aspect. In the current financial year, the further development of the sustainability strategy is planned by developing and implementing new policies and measures.

Disclosure requirement E5-2 – Actions and resources related to resource use and circular economy

Although there are currently no specific policies in the sense of the ESRS for the environmental aspect E5, POLYTEC is already implementing a large number of measures that contribute to the conservation of resources and the circular economy.

A significant contribution is made by the reusable containers produced for the food and plant trade, which are cleaned and reused after use. This process can be repeated over 100 times, greatly reducing single-use packaging. At the end of their life cycle, damaged containers are collected and recycled, so 100% of the material is reused for new containers. This closed-loop system is Cradle-to-Cradle certified (Ebensee site, Austria).

In addition, POLYTEC is working on solutions to increase the proportion of post-consumer recycled raw material. For example, the planned expansion of the recycling capacities of the recycling plant in Ebensee is expected to increase the proportion of recycled materials in production from 20% to 50%, which will further reduce the use of primary raw materials. These measures strengthen the circular economy and improve the environmental balance along the value chain.

Metrics and targets

Disclosure requirement E5-3 – Targets related to resource use and circular economy

POLYTEC has not yet developed a complete policy with fixed targets for this sustainability aspect, but circular economy and resource-conserving are already part of strategic considerations. In the current financial year, corresponding policies and goals are to be developed and implemented, including procedures for measuring success, and the definition of targets and indicators for evaluating progress.

Disclosure Requirement E5-4 – Resource Inflows

In a plastics processing company, the most relevant resource inflows are primarily primary raw materials, recycled raw material, packaging, operating and auxiliary supplies, and various purchased parts. Rare earths play a subordinate role in plastics processing, yet they can be important in special applications such as magnetic or conductive plastics. Biological materials also play no role in the company. Therefore, the cascade principle and specific certification systems for organically procured materials are not relevant for the direct production process. Regarding the proportion of biological materials in the packaging used, no reliable data is available for the reporting year. In the future, the possibility of systematically recording this information will be examined to ensure transparent reporting.

The table below lists the most important raw materials and their consumption in the reporting year:

Raw Material	Material consumption (in Tonnes)
PP - Polypropylene	40,123
PA - Polyamide	7,840
ABS - Acrylonitrile Butadiene Styrene	369
PUR - Polyurethane	2,476
Glass fibres	6,923
Resins	3,484
Paints - In-Mould-Coating	1,025
SMC - Sheet-Mouldung-Compounds	13,180
Other	6,560
Total raw material consumption	**81,979**

POLYTEC operates recycling plants at sites in Roosendaal, Ebensee, Lohne, and Wolmirstedt, thus reducing the consumption of primary raw materials. In Roosendaal, material is shredded internally and processed externally, then recycled within the company, resulting in a total of 215 t of material being recycled in 2024. In addition, almost 4 t of injection molding waste were shredded internally and reused directly in production.

At the site in Ebensee, 4,947 t of material were ground and recycled by the company's own recycling plant. In Lohne and Wolmirstedt, plastic waste is collected, ground and processed externally, and returned to POLYTEC, whereby 247 t were reused in Lohne, and 160 t were brought back to the cycle in Wolmirstedt. In addition, recycled raw material was produced in Lohne over a limited period with its own mill as part of a lean project, which resulted in savings of over 7 t. Overall, this results in a total of 5,580 t of materials that were recycled and reused in the company's own production processes in 2024.

POLYTEC uses numerous reusable containers and components, but without reliable information of quantity. There is also a lack of concrete data on recycled or reused materials for packaging materials. Recycled material figures are based on external measurements and internal records. As there are no other data on reused bins other than the 2024 project mentioned in E5-5, the data in E5-4 refer only to recycling quantities in order to avoid double counting.

Disclosure requirement E5-5 – Resource outflows

The company mainly uses thermoplastics and thermosets as well as various auxiliary and operating materials. These durable products are hardly susceptible to measure under normal conditions, only in the case of accidents or extreme environmental influences.

The plastic components outperform the industry average in terms of durability and resistance to mechanical stress, temperature fluctuations, and chemical influences. Because plastic components do not corrode, they are often more durable than metallic alternatives. Their expected lifespan is usually the same as a vehicle and is mainly limited by external factors. Detailed information on this is available to POLYTEC's customers.

Resource-saving solutions are continuously developed in coordination with customers. Since there is no direct influence on the end of life of the products, their recycling depends heavily on customer requirements. Direct reuse is usually not possible, but recycling processes are used to recycle plastics.

75.4% of the primary materials consist of recyclable thermoplastics, which can be mechanically crushed and recycled as secondary raw materials. Thermosets, on the

other hand, are more difficult to recycle due to their chemical stability and are only used in small quantities. Recirculation to the biological cycle is excluded.

In addition to automotive components, the POLYTEC portfolio includes fully recyclable transport boxes for the food sector and plant trays manufactured according to certified cradle-to-cradle principles.

The majority of the packaging consists of reusable pallets as well as recyclable cardboard boxes, paperboard, and wood. In addition, recyclable plastic packaging is used for the most part, although no precise recycling rates are available for the reporting year. In the upcoming financial year, a project is planned to introduce appropriate procedures for relevant data collecting.

Waste

POLYTEC generated a total amount of 9,085 t of waste in the reporting year. The following table shows the amount of waste by hazard classification:

Waste type	Waste amount (in Tonnes)
Hazardous waste	1,241
Nonhazardous waste	7,844
Total waste	**9,085**

At the POLYTEC GROUP, waste generated during production (rejected parts) cannot be directly reused. Thermoplastic scrap or defective products must first be ground and melted. Defective thermoset components or assembled modules cannot currently be recycled and end up in thermal recovery. The reuse of intact products for their original purpose has not been considered so far. In the reporting year, however, there was a project in Weierbach, in which empty plastic barrels and canisters were returned to suppliers for reuse, saving 5 t of non-hazardous plastic waste. The following table shows the waste quantities differentiated by recycled and disposed quantities. A distinction is made between three recycling and three disposal methods:

Utilization and disposal processes	Waste amount (in Tonnes)
Re-use	5
Material recovery	2,893
Other utilization	4,617
Incineration	81
Landfill	159
Other disposal	1,329
Total waste	**9,085**

Waste streams

In the POLYTEC production process, various waste-relevant streams are generated, which is typical for plastics processing. Plastic waste is mainly generated during the production of raw parts, such as offcuts, scraps, and production residues. Further processing, for example the painting process, produces old paints and rinsing thinners, which are disposed in accordance with legal requirements or, if possible, recycled. In addition, packaging materials, auxiliary and operating materials, and waste from replacing operating equipment is generated. These are sorted according to material categories and recycled as far as possible or disposed in an environmentally friendly manner. The waste consists of plastics, metals, wood, glass, and paper, as well as critical raw materials and rare earth minerals from electrical appliances, cables, rechargeable and non-rechargeable batteries.

In the 2024 financial year, POLYTEC generated 1,241 t of hazardous waste from the production and there was no radioactive waste generated in the entire Group.

To fulfill the customer's request, POLYTEC calculates the carbon footprints of its products in the early design phase. For this purpose, the method "climate change: total (excl. biogenic CO_2) global warming potential (GWP100)" according to IPCC 2021 is used. The calculations are based on the material composition and the production process to obtain an overview of environmental impact over the entire life cycle. The underlying data comes from direct measurements of production processes and recognized databases for emission factors. Where direct measured values are not available, modelled estimations are used. The basic assumption for the calculations is that materials and production processes are used under standard conditions. POLYTEC is continuously working on the optimization of methods and accurate assessment of the environmental impact of products.

3. SOCIAL INFORMATION

ESRS S1 OWN WORKFORCE

Strategy

Disclosure requirements related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In the POLYTEC GROUP, all people from the workforce who may be affected by significant impacts are covered by the disclosures in accordance with ESRS 2. As part of the double materiality analysis, all material effects of the business activities on the company's own workforce were recorded. The analysis included both potential negative and positive impacts regarding the entire value chain.

Possible negative effects include in particular stressful working conditions (e.g. shift work or physically demanding work), health risks due to the handling of chemicals, possible disadvantages and equal opportunities for women, and harassment in the workplace. On the other hand, POLYTEC's business activities also have positive effects on its workforce. These include fair treatment and financial security for employees, measures to promote work-life balance, as well as training and skills development opportunities. In principle, all types of employees and external workers can be affected by these negative and/or positive effects. The workforce at POLYTEC is divided into:

- **Employees**: Permanent employees in various departments (e.g. production, sales, administration).
- **Self-employed**: Self-employed professionals who work for the company on a project-related basis.
- **External workers**: Persons hired by third-party companies, in the field of placement and leasing of workers (e.g. temporary workers).

There were no systemic or widespread adverse impacts identified as part of the double materiality analysis. Negative impacts such as child labour or forced labour are known in certain countries outside the EU, but POLYTEC does not represent these markets. There is no or no material risk of forced or child labour among the POLYTEC workforce itself. The company has also committed to introducing European ESG standards at all locations.

In addition to the absence of systemic or widespread impacts, there are no findings on individual incidents such as industrial accidents in the 2024 financial year at POLYTEC.

The positive impacts result from the measures and structures implemented to promote good working conditions and sustainable personnel development through appropriate remuneration models, social benefits, and compliance with labour law standards. These measures have a positive effect at all plants of POLYTEC. Increasing wage and social-insurance contributions, a shortage of skilled workers, and higher requirements for attractive working conditions pose risks to competitiveness and profitability. A key opportunity lies in increased automation and digitalization, which makes production processes more efficient, reduces workload and accidents, and minimizes downtime. In addition, modern, technology-supported workplaces increase the attractiveness of skilled workers and reduce fluctuation.

POLYTEC is committed to actively managing risks for the workforce and taking advantage of the opportunities to strengthen the corporate culture and ensure long-term success.

The implementation of measures to reduce CO_2 emissions has a direct and indirect impact on POLYTEC's employees. Adjustments in the areas of production, energy, transport, and material use can entail structural changes and are considered in the observation of risks and opportunities. The switch to energy-efficient processes and alternative materials requires new qualifications, but also offers opportunities, as training and further education open up new development prospects for employees. Early involvement ensures that the company remains competitive in the long term. At the same time, change creates uncertainty and thus affects employees' dedication or loyalty, potentially leading to the loss of valuable talent. POLYTEC counters these risks with elaborate information and communication, targeted training measures, and support during the transformation process.

The potential negative impacts on POLYTEC's workforce vary depending on the type of employment, working environment, and field of activity. Permanent employees in production are exposed to higher physical stress, whereas administrative and sales staff are more likely to experience psychosocial stress. Self-employed professionals usually do not have access to social benefits. External workers are compromised from short-term assignments. Rising personnel costs and digitization affect the workforce differently: Digitization offers new development opportunities but also brings a need for training for employees who are less digitally savvy.

The following groups may tend to be more affected:

- Trainees, if companies invest less in training due to cost-saving
- Migrants who may have limited access to further education due to language barriers
- People with disabilities, if investments in accessibility delayed from cost pressure, although automation can also make physically demanding tasks easier
- Employees who require a higher adaptation effort to digital changes due to low or non-specialist qualifications, but who benefit particularly from targeted further training measures

The company meets these challenges with a transparent information policy, qualification measures, and the involvement of the affected employees in transformation processes to ensure equal opportunities.

Impacts, risks and opportunities management

Disclosure requirement S1-1 – Policies related to own workforce

The policies and measures to minimize the identified risks can be classified into three thematic areas focus on:

- Promoting equality and ethical behaviour
- Promoting physical and mental health
- Professional development and employee retention

To this end, the company consistently pursues measures to identify, manage, and mitigate material impacts, risks and opportunities related to its own workforce.

A central task of the company to promote equality and ethical behaviour is to pay attention to human and labour rights. These values are firmly anchored in the POLYTEC code of conduct. In addition, the company has issued a human rights statement that reaffirms the commitment to fair and safe working conditions, and respect for the fundamental rights of employees. The company's Declaration of Human Rights is based on the UN Guiding Principles on Business and Human Rights, the ILO Declaration of Principles and the OECD Guidelines. The company actively involves employees in human rights-related issues. To this end, it cooperates with employee representatives and uses feedback mechanisms such as employee dialogues, surveys, and interviews in onboarding and offboarding process. For remedial actions against discrimination, etc., internal and external reporting channels have been set up (see ESRS G1) to support affected employees and to detect and address wrongdoing at an early stage.

The protection of the health and safety of POLYTEC's employees is the highest priority. To promote physical and mental health, numerous workplace safety policies and emergency plans have been implemented, which are guided by the internal information system. The occupational safety indicators are reported via management reporting in the business review meetings and necessary measures are introduced. Targeted occupational health and safety measures ensure that hazards associated with production processes, machines, hazardous substances, emissions, and noise are discovered and minimized at an early stage. The approach includes systematic personal protection, ensuring production and delivery capability, and avoiding potential reputational risks.

To improve working conditions and mitigate further possible negative effects and simultaneously promote work-life balance, the employment contracts at many workplaces in the Group arrange flexible working time models. In addition, a home office policy was established several years ago. With regular evaluations and adjustments, these policies are ensured to be up to date. In most of the plants, employees are financially protected by collective bargaining agreements.

POLYTEC provides trainings and further education programs for professional development of employees and their retention. These programs are designed to address the special needs of different groups and trainings are provided for all employees, regardless of age, gender, or background. These skill development measures strengthen the personal and professional qualifications of the employees and the competitiveness of the company in the long term.

To identify and manage potential negative impacts on employees at an early stage, key performance indicators such as productivity, sickness and accident rates, and fluctuation rates are recorded and analysed on an ongoing basis. This data is regularly reported to senior management to enable consideration in decision-making and ensure continuous improvements in HR processes.

POLYTEC ensures that its policies and guidelines in the field of labour are in line with internationally recognized standards, such as the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD

Guidelines for Multinational Enterprises, particularly the Prevention of Human Trafficking, Forced Labor, and Child Labor.

POLYTEC is actively committed to equal opportunities, social inclusion, and the prevention of any form of discrimination. Discrimination based on gender, age, origin or other personal characteristics will not be tolerated. The Code of Conduct provides the framework, with a transparent recruitment policy ensuring fair and equal treatment of all applicants. The professional development programs are open to all employees, regardless of individual characteristics.

Disclosure requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

The company actively involves the workforce in decision-making processes. Employee Representatives are strong partners at many locations of the POLYTEC GROUP. They are regularly informed about legal requirements and involved in operational decision-making processes. The cooperation takes place within the framework of legally prescribed committees, as well as through company agreements that regulate, among other things, working conditions, health protection, and co-determination. The company does not have a group works council but works closely with Employee Representatives at national and operational level.

Employee inclusion takes place on various stages of the decision-making process. Regular meetings with Employee Representatives and employees serve to exchange information on current topics and to obtain feedback. Informational sessions and training sessions are also organized to introduce planned measures and to promote the active participation of employees.

The company evaluates the effectiveness of the cooperation with employees by key performance indicators, various feedback mechanisms such as informational sessions, employees' meetings, employee dialogues and on- and offboarding interviews. Employees can report deficiencies anonymously at any time via an internal whistleblower portal.

The responsibility for incorporating the results of the surveys into the mission statement and corporate strategy of the POLYTEC GROUP lies with the Board of Directors or the management of the respective legal entity. Operationally, the Head of Human Resources of the respective business unit or plant is responsible for ensuring the involvement of Employee Representatives and reporting the findings to the management or the Board of Directors.

Disclosure requirement S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns

The company has established procedures for identifying and remedying material negative impacts on the workforce. If violations or maladministration are identified, targeted remedial measures are taken, ranging from internal investigations to structural adjustments, depending on the circumstances. Various mechanisms are used to assess effectiveness, including regular risk analyses, internal audits, and local employee surveys. POLYTEC offers various channels for direct communication with employees, including the intranet, a dedicated HR email address, and the internal whistleblower portal for anonymous reporting. The company is also represented on social media. Employees are informed in the onboarding, via the intranet and newsletters, and through regular training in the internal learning management system.

Disclosure requirement S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The company has taken various measures to address the policies mentioned in point S1-1 to avoid, mitigate, and eliminate material negative impacts on employees and is planning further initiatives to address material sustainability aspects.

To reduce rising personnel costs, the company focuses on increasing efficiency and controlling costs without affecting working conditions. This includes optimized personnel scheduling, the increased use of flexible working time models and targeted investments in further training programs to increase productivity.

At the same time, investments are being made in automation of production processes and in digitalization for more efficient standard processes to reduce the possibility of errors, to minimize physical and mental stress, and to reduce the risk of accidents further.

Under the motto "More than right at POLYTEC", the company developed processes in the 2024 financial year to attract employees and retain them in the long term. This includes an appreciative recruiting process, structured onboarding and accompanied induction. The POLYTEC

Leadership Academy offers programs for new and experienced leaders. In regular employee dialogues, professional and personal strengths are reviewed, and development opportunities are discussed.

By consistently implementing these measures, the company actively contributes to improving sustainability performance and achieving long-term strategic goals. According to the current state of knowledge, POLYTEC does not see any significant negative effects on employees from the transition into a more environmentally friendly and climate-neutral economy, as the company has been actively converting business activities for years from combustion engines to electric motors in the automotive industry and is represented in both markets. The company also takes this transformation into account in personnel strategy.

Key figures and goals

Through regular audits and key figure analyses (e.g. fluctuation, absence rate, etc.), POLYTEC ensures that its business practices do not have a significant negative impact on the workforce. Possible tensions between economic pressure and fair working conditions are balanced through social partnership dialogue. In addition, ongoing digitization ensures further relief for employees, lower accident risks, and new development opportunities, so that social and ethical standards are maintained.

As part of the annual budgeting, financial resources are allocated for programs in the areas of education and training, health promotion, occupational safety, and worker protection. In addition, personal support is used in many departments such as HR, Management/Compliance, Sustainability, and HSE, to evaluate key impacts and to design and implement appropriate measures. This ensures a structured and sustainable handling of corporate responsibility for employees.

Disclosure requirement S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

POLYTEC is specifically committed to strengthening employee loyalty by creating attractive and future-oriented working conditions. The goal is to create an environment in which employees feel comfortable in the long term, identify themselves with the company, and can actively shape their professional development. To pursue this goal, the fluctuation rate is regularly evaluated. The aim is to ensure that valuable know-how is retained in the company in the long term and to promote stable teams.

A major focus is on ensuring the health of employees and reducing the absents rate. The well-being and performance of employees are crucial for a productive and positive working atmosphere. Measures in occupational safety, ergonomic workplace design, occupational health care, and preventive health programs (vaccination campaigns, company doctor, etc.) are intended to reduce the risk of absences due to illness and reduce lost time. In addition, the number of accidents at work (differentiated incident with and without accident-related lost time), productivity, employee satisfaction, participation in training and further education are recorded.

The achievement of company-wide targets is ensured by continuous monitoring and reporting of relevant key figures. From mid-2025, it is planned to make the key figures available to all managers in the form of a digital dashboard. The target value for fluctuation is a maximum of 8% in 2035. Subsequently, there will be concrete (national or local) target values for all relevant HR KPIs.

Disclosure requirement S1-6 – Characteristics of the undertaking's employees

Unless otherwise noted, the data used in this report corresponds to the number of people (headcount) in the company. A calculation based on full-time equivalents is not meaningful because it does not correctly take part-time employees into account.

All employee figures were collected as of December 31, 2024. If the target requires the average, the average of the year 2024 was used.

The information "Female employees by gender and by country" includes the plant in Belgium, South Africa, and the USA. In all other areas that requires more detailed HR disclosures, such as contract types, working time models or other demographics, these three locations were not included due to insufficient data quality or availability.

The total number of employees who left the company during the reporting period is 638 (of which 497 were employee-induced resignations); this corresponds to a total rate of 14.3%

Employees by gender	
	2024
Gender[1]	Number of employees (head count)
Male	2,731
Female	942
Other	0
Not reported	0
Total Employees	**3,673**

[1] Gender as specified by the employees themselves.

Employees by country	
	2024
Country	Number of employees (head count)
Belgium	38
China	46
Germany	1,959
Netherlands	235
Austria	498
Slovakia	94
South Africa	64
Czech Republic	112
Hungary	285
USA	21
United Kingdom	321
Total Employees	**3,673**

Disclosure requirement S1-8 – Collective bargaining coverage and social dialogue

Except for the plants in the UK and in Hungary, most employees are covered by collective bargaining agreements. The non-100% coverage in Austria and Germany is due to the following reasons:

- Positions such as Managing Directors and Board of Directors are generally not covered by collective bargaining agreements.
- At some locations in Germany, there are no collective bargaining regulations or in some cases there are no nationwide agreements.

Employees covered by collective labour agreement	
Country	2024
China	100%
Germany	88.90%
Netherlands	100%
Austria	98.80%
Slovakia	100%
Czech Republic	100%
Hungary	0%
United Kingdom	0%

There is no European works council or comparable body.

Information on collective labor agreement coverage and social dialogue

	Collective labour agreement Coverage		Social dialogue
Coverage Rate	Employees - EEA countries (for countries with >50 empl. representing >10% of the total empl.)	Employees - Non-EEA countries (Estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% of the total empl.)
0–19%	Hungary	United Kingdom	Slovakia
20–39%			
40–59%			
60–79%			
80–100%	Austria[1], Germany[2], Netherlands, Czech Republic, Slovakia	China[3]	Austria[1], Germany[2], Netherlands, Czech Republic, Hungary

[1] excl. Board of Directors, Executive Boards, POLYTEC HOLDINGS AG
[2] excl. POLYTEC engineering GmbH, POLYTEC Industrielackierung Weiden GmbH
[3] 100% according to "Labor Regulations Encompas"

Disclosure requirement S1-9 – Diversity metrics

As of December 31, 2024, the proportion of women in management positions at the POLYTEC GROUP is 14.5%. This corresponds to a share of 52 female executives out of total of 358 in the POLYTEC GROUP. The distribution of employees by age group is shown in the table below.

Age groups	Number of employees	Percentage
Under 30 years	571	15%
30 – 50 years	1,713	56%
Over 50 years	1,266	29%

Disclosure requirement S1-10 – Adequate wages

The company ensures that all employees receive fair remuneration that corresponds to the country-specific reference minimum wage. In no country are POLYTEC employees paid below the applicable reference value. Therefore, the percentage of employees whose salary is below the respective country reference value is 0%.

Disclosure Requirement S1-14 – Health and safety metrics

Group-wide occupational safety guidelines define the occupational health and safety organization for the prevention of accidents involving personal injury and property damage. All POLYTEC plants have an ISO 14001 certification, in which lawful action is monitored both internally and externally. This means that 100% of employees (number of people in the company) are covered by legal requirements and/or standards.

In the 2024 financial year, there were no deaths due to work-related injuries or illnesses across the Group.

In the 2024 financial year, a total of 77 reportable occupational accidents were registered across the Group. The data is based on the POLYTEC accident app, which records all accidents, near misses, and reportable accidents.

Disclosure requirement S1-16 – Compensation metrics (pay gap and total compensation)

The company defines the gender pay gap without taking board members into account, as they are not considered as employees. Part-time jobs were extrapolated to full-time, based on an assumption of 170 hours per month. This results in an adjusted value of the pay gap at employee level between men and women of 19.91%. This pay gap refers to the countries of Austria, Germany, the Netherlands, and Hungary, as only these are processed via the SAP-PHR payroll accounting system.

The ratio of the total compensation of the highest-paid individual to the median of the total compensation of all the company's own employees is 15.2:1.

Disclosure requirement S1-17 – Incidents, complaints and severe human rights impacts

In the 2024 reporting period, two complaints were received via the internal and external whistleblower portals. After processing, however, the allegations had not been confirmed or were not relevant within the meaning of the EU Whistleblowing Directive. No violations or complaints were reported to the OECD National Contact Points for Multinational Enterprises. No fines, sanctions, or damages have been imposed in connection with the incidents and complaints described.

ESRS S2 WORKERS IN THE VALUE CHAIN

Strategy

Disclosure requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The company confirms that all workers in the value chain who may be affected by material impacts are included in the reporting disclosures in accordance with ESRS 2. These include, in particular, employees at suppliers, temporary and contract workers, as well as workers in transport and logistics, who may be potentially affected by working conditions, wages, or safety. These groups were identified as part of the materiality analysis in accordance with ESRS 2 IRO-1 and the stakeholder analysis in accordance with ESRS 2 SBM-3.

POLYTEC also takes workers who work at the site but are not employees of the company also into account. These include external service providers in the areas of security, cleaning, or technical maintenance, as well as suppliers and logistics personnel, including drivers and external warehouse workers. These workers are subject to the labour law conditions of their respective employers and are not covered by the information provided in ESRS S1.

The company identifies employees in raw material extraction, production employees in supplier companies, and transport and logistics personnel as relevant workers in the upstream value chain. These groups can potentially be affected by significant social and environmental impacts, especially in terms of working conditions, human rights, and safety.

As a Tier 1 supplier in the automotive industry, the company identifies relevant workers in the downstream value chain as employees in logistics and transport, who are responsible for the redistribution of products to OEMs (Original Equipment Manufacturers) and other customers. In addition, this includes employees in the vehicle assembly at automotive manufacturers, who integrate our components into end products. Other relevant groups are employees in the spare parts trade, in motor vehicle workshops, in the recycling and disposal of vehicle components. These workers can potentially be affected by significant social and environmental impacts, especially in terms of working conditions, safety, and environmental aspects in the disposal and recycling of materials.

The company is currently not involved in any joint ventures or special purpose vehicles in which relevant workers would be employed. Therefore, there is no information on this point.

The company identifies particularly vulnerable groups of workers in the value chain, including contract and temporary workers, migrant workers and underage workers. In upstream supply chains, especially in raw material extraction, there may also be risks for workers in countries with weak labour standards. The company is committed to complying with international labour standards and takes these aspects into account as part of its materiality analysis and supply chain audits.

As part of the due diligence obligations under LkSG, the company regularly analyses and evaluates potential risks in the supply chain. In the past fiscal year, there were no known specific cases of child or forced labour in own supply chain.

However, the company is aware that certain raw materials needed for the products come from regions that are generally considered high-risk areas. These mainly include raw materials in purchased parts, such as cobalt from the Democratic Republic of Congo or natural rubber from Southeast Asia. Therefore, we pursue strict supplier audits, regular risk analyses and set measures to comply with international labour standards (e.g. UN Guiding Principles on Business and Human Rights, OECD Guidelines). The company continuously monitors developments in these regions and adapts its due diligence measures accordingly.

As part of its risk analysis, the company has identified significant negative impacts in the value chain. These relate in particular to stressful working conditions and health hazards caused by the use of chemicals.

These effects are systemic in nature and emerge throughout the automotive supply industry, especially in production processes in which chemical substances are used. This includes substances that fall under the REACH Regulation or are classified as being of very high concern. The company counters these risks through strict occupational health and safety measures, regular health checks, and the use of safety-optimized production processes.

In addition, the transition to more environmentally friendly and climate-neutral activities may result in changes in the value chain, for example, work processes and conditions may be impacted, due to new production requirements or material changes. Furthermore, technological change in the automotive industry could require restructuring of the workforce.

However, the company has not yet identified any specific risk in 2024 in accordance with the LKSG, nevertheless the risk developments are continuously monitored, and mitigation measures are accordingly adjusted. The analysis in accordance with ESRS S2 did not identify any material risks or opportunities arising from the impacts and dependencies of the company, which related to the workforce in the value chain. Likewise, no positive effects were found on these workers.

Impacts, risks and opportunities management

Disclosure requirement S2-1 – Policies related to value chain workers

POLYTEC has currently not adopted any specific policy or measures for workers in the value chain, as the main effects occur mainly in the upstream supply chains and thus outside POLYTEC's direct sphere of influence. Nevertheless, responsible supply chains are an important part of the sustainability strategy. For the further development of sustainable procurement practices, the appropriate policies will be examined, and measures can be developed and implemented.

Disclosure requirement S2-2 – Processes for engaging with value chain workers about impacts

The company has no direct policies related to the workers in the value chain or their representatives. However, an externally accessible whistleblower portal is available, where information about possible wrongdoing can be anonymously reported. The working conditions along the

supply chain are reviewed and assessed as part of the double materiality analysis. These findings are incorporated into the further development of due diligence obligations and measures to minimize risks. In addition, a supplier management tool for supplier evaluation is used to identify potential risks or critical incidents. If an issue requires action, affected suppliers will be contacted in a targeted manner.

The operational responsibility for the inclusion and ensuring that the results are incorporated into the corporate policies lies with the Sustainability and Compliance department. The highest-ranking position with responsibility in this area is the Executive Boards or the Board of Directors, who are informed at regular intervals about relevant findings and make strategic decisions on the further development of due diligence obligations.

Disclosure requirement S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

The company has a well-defined approach to remediating material negative impacts on workers in the value chain, if they are caused or contributed by the company. Central elements of this approach are the company's internal code of conduct and the code of conduct for suppliers, which all suppliers must sign and comply with.

Potential violations or risks are identified by internal assessments, supplier evaluations and information from the whistleblower portal, which is freely accessible to all persons via the official homepage of the POLYTEC GROUP. If a supplier violates the Code of Conduct or critical incidents are reported, the facts are reviewed and, if necessary, actions are taken – from purposeful discussions and corrective actions to the termination of the business relationship. The effectiveness of these measures is ensured through regular assessments of supplier performance, as well as internal due diligence reviews.

The company ensures that the external whistleblower portal is easy to find on the company website and can be used anonymously - additional information can be found in data point G1-1.

Disclosure requirement S2-4 – Taking actions on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

POLYTEC has not currently adopted any specific policies or measures for workers in the value chain, as the main impacts occur mainly in the upstream supply chain and thus outside our direct sphere of influence. Nevertheless, responsible supply chains are an important part of our sustainability strategy. As we continue to develop our sustainable procurement practices, we will examine the appropriate policies and measures that can be developed and implemented.

Metrics and targets

Disclosure requirement S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Based on the previous findings, no targets or indicators have been defined to assess progress. As part of the further development of our sustainable procurement strategy, we are continuously examining the extent to which such targets and metrics can be defined in the future.

ESRS S3 AFFECTED COMMUNITIES

Strategy

Disclosure requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

As part of the materiality analysis, the company assessed whether there are affected communities that experience material impacts due to the business activities or along the value chain.

As a result, no negative effects were identified. The transition to greener and climate-neutral activities also has no discernible negative consequences for affected communities.

Instead, there are only positive effects, especially the increase in the attractiveness of the location due to the creation of jobs, and the positive health and safety effects promoted by intelligent product design. These impacts particularly affect communities close to operational sites, which benefit from economic stability and employment opportunities. All affected communities are already included in the general sustainability disclosures according to ESRS 2.

Impacts, risks and opportunities management

Disclosure requirement S3-1 – Policies related to affected communities
POLYTEC has not currently decided on any specific policies for affected communities, as only positive impacts have been identified in the double materiality analysis. Also, there are no significant risks or opportunities. However, there will be an ongoing review as part of future materiality analyses.

Disclosure requirement S3-2 – Processes for engaging with affected communities about impacts
POLYTEC has not established a general procedure for systematic cooperation with affected communities. There will be an ongoing review of relevance as part of future materiality analyses.

Disclosure requirement S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns
Affected communities can express their concerns or needs via the company's publicly accessible whistleblower portal on the POLYTEC homepage, more information can be found in the point ESRS G1-1.

In addition, within the framework of the POLYTEC Code of Conduct for Suppliers, business partners are expected to implement their own complaint mechanisms and inform their affected communities how to use them.

During the reporting period, two reports were received via the external whistleblower portal, which were reviewed by the person responsible, and forwarded to the appropriate staff for processing and clarifying the facts. The reporters were subsequently provided with appropriate feedback. The receipt of reports, their internal processing and appropriate feedback to the whistleblower can ensure and confirm the effectiveness of the reporting channel.

Disclosure requirement S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
POLYTEC has not currently decided on any measures for affected communities. There will be an ongoing review of relevance as part of future materiality analyses.

Key figures and goals
Since this sustainability aspect is not the focus of our strategy due to the results of the double materiality analysis, no measurable key figures and targets are currently derived.

Disclosure requirement S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
Since POLYTEC has only identified positive effects in the affected communities and has not identified any significant risks, no measurable results-oriented goals have been set. There will be an ongoing review of relevance as part of future materiality analyses.

ESRS S4 CONSUMERS AND END-USERS

Strategy

Disclosure requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
As part of the double materiality analysis, the company has determined that there is no material negative impact on consumers and/or end users and that they only benefit from the positive effects of its products. These positive effects are mainly the result of intelligent product design, which can reduce the risk of accidents and increase user-friendliness. Affected consumers and end users are primarily companies in the automotive industry that process our products or integrate them into their end products. These positive effects are not limited to certain countries or regions but occur wherever the products are used.

Since the company develops and manufactures products on behalf of customers, the product responsibility for the end consumer lies with POLYTEC's customers. In the automotive sector, this product data is recorded in the IMDS database (International Material Data System).

As the Company only manufactures physical products on behalf of customers and does not provide services that process personal data or affect the privacy of consumers and end users, there is no negative impact on their right to privacy, the protection of personal data, the right to freedom of expression, or non-discrimination.

Since the company primarily manufactures components for vehicles and does not sell finished products, consumers and end users do not rely on product-related manuals for safe use. In the few cases where product labels are requested or required by law, they are applied accordingly. By incorporating the products into customers' end

products, the responsibility for further consumer information lies with them.

There is no direct interaction with particularly vulnerable consumer groups such as children or financially vulnerable people, as the company mainly manufactures components for vehicles and does not sell direct end products to consumers. In addition, no marketing or sales strategies are used that are specifically aimed at these groups. Compliance with the highest safety and quality standards ensures that the products do not pose any health risks.

As part of the materiality analysis in accordance with ESRS 2 IRO-1, the company has not identified any consumers or end-users who are affected by negative impacts or could be exposed to a particular risk of harm.

The company evaluates the effectiveness of customer and end-user engagement indirectly through the continuous exchange between sales managers and customers, as well as through the analysis of market requirements and customer feedback. As no significant adverse impacts have been identified, there are no specific agreements or measures placed to further engage with end-users.

Impacts, risks and opportunities management

Disclosure requirement S4-1 – Policies related to consumers and end-users

As the company has only identified positive impacts for consumers and end-users, and has not identified any significant risks or opportunities, no specific policies, measures or targets have been adopted in relation to this sustainability aspect.

Disclosure requirement S4-2 – Processes for engaging with consumers and end-users about impacts

As part of the double materiality analysis, the relevant stakeholders were also considered. The involvement of consumers and end users took place indirectly via our sales managers, who act as an interface to the customers, always stay in contact with them, and were able to provide valuable insights into their requirements and needs. However, direct cooperation with end-users or their legal representatives was not necessary, as no significant negative impacts were identified that would require specific measures.

Disclosure requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Consumers and end customers can express their concerns or needs via the company's publicly accessible whistleblower portal.

In addition, we also expect our customers to implement their own complaint mechanisms, and to inform their customers and end consumers about their implemented mechanisms.

Disclosure requirement S4-4 – Taking actions on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

As the company has only identified positive impacts for consumers and end-users, and has not identified any significant risks or opportunities, hence no specific policies, measures, or targets have been adopted related to this sustainability aspect. Therefore, there is no timeframe for the introduction of such policies or measures.

Metrics and targets

Disclosure requirement S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As the Company has identified only positive impacts for consumers and end-users, and has not identified any material risks or opportunities, the company has not set measurable results-oriented targets in this area. Accordingly, there are no plans to establish procedures for this purpose, the setting of targets or indicators to assess progress, or the establishment of a measurement of progress.

4. GOVERNANCE INFORMATION

ESRS G1 BUSINESS CONDUCT

Governance

Disclosure requirements in the context of ESRS 2 GOV-1 – The role of administrative, supervisory and management bodies

The Board of Directors and Supervisory Board have a major influence on the sustainability strategy and organisation within the POLYTEC GROUP. In the development and implementation of the corporate strategy, the Board of Directors considers the sustainability aspects and the associated opportunities and risks regarding the environment, social and corporate governance. The embedment and support of ESG agendas in senior management and across all areas of the organization make a significant contribution to the successful implementation of the goals and the further development of the ambitious sustainability strategy of the POLYTEC GROUP. The Supervisory Board and its committees help to develop and monitor the implementation of the sustainability strategy by the Board of Directors and the company regarding the fulfilment of compliance requirements and the goals of the sustainability strategy.

In accordance with the Austrian Stock Corporation Act, the Supervisory Board of POLYTEC Holding AG has set up an Audit Committee to perform the scheduled supervisory and control functions. In this committee, strategic focal points of the audit activities and the working methods of the committee regarding new legal requirements are discussed on ongoing basis and the committee is responsible for reviewing the corporate governance report and reporting in relation to the Austrian Sustainability and Diversity Improvement Act. In the past financial year, the Board of Directors regularly informed the Audit Committee about current changes in European sustainability reporting legislation and the progress of ongoing measures such as the establishment of further management processes for data collection and the results of the risks identified from the double materiality analysis.

Disclosure Requirement G1-1 – Corporate Culture and business conduct policies and corporate culture

The long-standing corporate success of the POLYTEC GROUP is based on three strategic pillars, the fundamental orientation of which has remained largely untouched even in the context of the company's latest organizational reforms under the "CORE" banner. The guidelines are set out in the three pillars:

- Strengthening of market position in the plastics industry
- Development of new technologies and applications
- Focusing on customer benefits

The focal points of the first pillar are an overarching business understanding in the sense of "ONE POLYTEC", the implementation of permanent process optimization and the basic understanding of a "Good Place To Work". This is supplemented by the provision of ongoing innovations as a success factor, sustainable corporate activities and the promotion of broad technological and production efficiency, as well as the achievement of maximum customer satisfaction and optimal product solutions. The POLYTEC corporate culture is demanded and promoted by the corporate strategy. In addition, the mission statement, which focuses on sustainability, personnel and customer, runs through the group's entire business activities.

In recent years, significant measures have been taken in our own business area to promote the corporate culture:

This applies above all to the POLYTEC Code of Conduct, which was published in the 2017 financial year and last revised in February 2024 and which for the first time outlined the basic principles and framework conditions for all business activities, including initial guidelines on the environment, social and good corporate governance. In recent years, the Code has been revised several times and adapted to the obligatory, particularly sustainability related European framework conditions and the POLYTEC corporate mission statement. The Code now includes general information on corporate culture, data protection, the fight against corruption and money laundering, cybercrime, as well as complaint management and the social and ecological responsibility of all stakeholders. The recent publication of the POLYTEC GROUP's Declaration of Principles on Human Rights has further promoted the ESG agenda for the observance of human rights in the upstream value chain and in the company's own business area.

Every employee is trained on the Code of Conduct and the Human Rights Declaration via the internal POLYTEC learning management system when joining the company as part of the onboarding process and subsequently at regular intervals. The Code of Conduct and the Declaration of Human Rights are published in the internal information management for all employees and on the POLYTEC website, therefore accessible to all stakeholders.

The policy for the prevention and detection of corruption and bribery includes, in particular:

- the intensive, ongoing web-based training of employees and sensitization of the contents of the anti-corruption policy, as well as the negative effects on the company and the potential personal liability of each employee from fiscal year 2022 onwards
- the establishment of controls in the internal control system to prevent corresponding acts of active and passive bribery
- the establishment of internal and external reporting channels to detect related business transactions

No significant operating expenses were necessary for the measures to promote the corporate culture, other than the ongoing costs of setting up and maintaining the learning management system used throughout the POLYTEC GROUP.

Establishment, development and promotion of the corporate culture

Basic governance information on POLYTEC Holding AG can be found in its Articles of Association.

The Code of Conduct is an integral part of all current and future activities, decisions and strategies of the POLYTEC GROUP. Essential core tasks of our employees are the conservation of resources, the reduction or avoidance of environmental pollution using the best available and economically viable technologies, as well as the continuous improvement of environmental and energy-related performance, including compliance with energy and material efficiency and successful implementation of the POLYTEC Sustainability strategy. Newsletters are used to raise employees' awareness of sustainability issues in their own areas of responsibility. A sustainability management guideline is currently being drawn up, which will set out guidelines for the implementation of the POLYTEC sustainability strategy, its management and tracking, as well as the processes that are carried out for sustainability reporting. The guideline is intended to serve as a written orientation framework for managers and employees to place even greater emphasis on sustainability in their own area of responsibility and field of activity, in order to support the efficient development of sustainable business model of POLYTEC GROUP.

The POLYTEC GROUP's current sustainability strategy, its implementation and further development are evaluated and tracked based on the relevant key figures, which continuously fed into corresponding dashboards by the processes already installed.

Assessing anti-corruption and bribery risks

The compliance functions in the company ensure that the POLYTEC GROUP acts in accordance with the legal requirements. Together with the risk management department, the Board of Directors identifies and evaluates the possible risks from internal and external criminal acts as part of an annual risk analysis; in addition, the internal audit department carries out risk-oriented controls. Regular trainings on the anti-corruption policy ensures that employees are fully aware of the risks, hence the risk of corruption and bribery is classified as extremely low.

Instruments to combat corruption and bribery

According to the applicable anti-corruption policy, all employees are strictly prohibited from offering or accepting benefits, both directly and indirectly, especially if this is intended to improperly influence business transactions or could even create such an impression. Benefits include, in particular, gifts of more than a minor value, invitations and hospitality that go beyond customary business practices, as well as purchasing opportunities on terms that are not common for third parties. Consistent employee trainings and closing any gaps through a functioning internal control system are effective means of combating corruption and bribery.

Establishment of reporting channels, protection of whistleblowers

To prevent compliance violations, all employees are encouraged to report any grievances, complaints or violations they become aware of, or even if they merely suspect a violation, via the available whistleblower portals. For the POLYTEC GROUP, it is essential that laws, internal policies and principles of conduct are adhered to, as the key to corporate success is above all based on integrity, ethics and the personal responsibility of everyone.

An internal whistleblower portal was already installed for all employees of the POLYTEC GROUP in December 2021, based on the EU Whistleblowing Directive. This portal

offers the possibility to submit reports anonymously. In addition, another whistleblower portal was installed in the past financial year in cooperation with an external service provider, which is available not only to employees of the POLYTEC GROUP but also to all customers, suppliers and other external stakeholders via the POYLTEC GROUP homepage.

All incoming reports are processed centrally by the Legal Department. Regardless of the reporting channel selected, all reports are processed in the strictest confidence and exclusively according to the need-to-know principle; the protection of whistleblowers has top priority. In the case of non-intentionally false information, whistleblowers will not face any disadvantages.

To inform employees via both channels, a dedicated whistleblowing policy has been published in the integrated management system (IMS). As part of the onboarding process, the policy is assigned to all new employees with PC access via the learning management system, and their awareness is monitored, documented and followed up. For the Employees without PC access a paper copy of the policy is provided.

Due to the anonymity of the report by the company's own employees, they are imperatively protected from any retaliatory measures. If the disclosure of information may result in the identity of the whistleblower being revealed (e.g. due to the content of the report or other circumstances of the specific facts), the whistleblower's consent to this procedure must be obtained in advance.

Internal corporate management training

POLYTEC revised and expanded its training plan as part of the implementation of the IMS in 2020. Newly hired employees with computer access are assigned several compliance-relevant training courses (including the Code of Conduct, the Anti-Corruption Policy, the Compliance Policy, the Whistleblowing Policy, the Authorization Policy, and the Data Protection Policy) during onboarding, which must be completed within the first month. In addition to onboarding, most training courses are reassigned to employees at regular intervals (annually or every two years) to maintain a record of the content. Employees without computer access receive this information in paper form.

Once a month, training reports are automatically sent to central offices in the Group, which contain detailed information on the respective training courses, including the degree of completion. Depending on the completion rate, various measures are implemented as needed to improve the completion rate and to ensure appropriate training.

In addition, further training courses on specific (legal) areas are prepared and held on an ad hoc basis and at the request of individual divisions.

Exposure to corruption and bribery risks

POLYTEC considers the group's overall risk to be low, especially regarding corruption and bribery. This results from the specific characteristics of the automotive industry, which is marked by highly price-driven competition and the absolute dependency of automotive suppliers on the manufacturers. Due to the internal control processes and the cashless payment transactions at POLYTEC, offering benefits is generally not possible. The risk of passive bribery of employees by a manufacturer is virtually non-existent due to the oversupply of automotive suppliers.

Disclosure Requirement G1-2 – Management of relationships with suppliers

To avoid late payments to our suppliers, POLYTEC has implemented clear, automated invoice verification and payment processes, which ensure punctual verification and approval of invoices and their associated payments. Employees receive regular trainings on the content of these processes via the learning management system. An early warning system and regular financial planning processes help to identify potential delays in a timely manner. Any ambiguities in the invoice review are promptly addressed to the suppliers. Flexible payment can also be arranged to prevent conflicts in the event of unexpected financial constraints. Systematic reporting is carried out regularly and necessary measures are initiated. In addition, modern financing models are used.

Relationships with suppliers related to sustainability aspects

To ensure careful supplier selection, POLYTEC GROUP has implemented a code of conduct for suppliers, along with other guidelines and processes for supplier selection and evaluation through audits and supplier self-assessments. Before signing a contract or being commissioned, new suppliers are required to commit to complying with the Code and the detailed minimum social and environmental standards in accordance with internationally recognized agreements. As part of the German LkSG, which came into force for German sites of the POLYTEC GROUP on January 1, 2024, risk analyses have been carried out for all suppliers since 2023, considering the human rights and

environmental risks of our suppliers. In the 2024 financial year, an end-to-end digital process was implemented using an external tool for the group-wide certification of all suppliers. No material business transactions or ESG violations were identified in the supplier environment in the 2024 fiscal year.

Disclosure Requirement G1-3 – Prevention and detection of corruption and bribery

POLYTEC continuously monitors any risks of corruption and bribery through its compliance functions and reports received via the whistleblower portals. No actual cases or conflicts of interest were identified in the past financial year. Should such cases arise, they would be processed accordingly and reported to the authorities, employees themselves would be subject to disciplinary measures. Employees are informed of any consequences of such misconduct through training. The internal audit department is assigned to the central division under the Board of Directors and is separate from relevant management chain of the business lines. The compliance functions report to the Board of Directors on the results of the risk assessment and any incidents twice a year and on an ad hoc basis. Any information would be forwarded to the Supervisory Board as part of compliance reporting.

The current completion rate of the anti-corruption training via the learning management system was 98% as of December 31, 2024. All employees with PC access are classified as high-risk employees. The Board of Directors, like all other employees in the POLYTEC GROUP, receives regular training via the learning management system.

	At-risk functions	Executive board
Training coverage		
Total headcount	1,193	9
Number of trained	1,176	5
Delivery method and duration		
On-site training	0 hour	0 hour
Computer-based training	0.5 hour	0.5 hour
Voluntary computer-based training	0 hour	0 hour
Frequency		
How often training is required	at Onboarding; then every 2 years	at Onboarding; then every 2 years
Topics covered		
Anti-corruption as a part of compliance	X	X
Consequences of corruption	X	X
Handling conflicts of interest	X	X
Core values of POLYTEC	X	X
Expectations of POLYTEC	X	X
Gift acceptance	X	X
Consequeces of misconduct	X	X

Metrics and targets

Disclosure Requirement G1-4 – Confirmed incidents of corruption or bribery

There were no convictions and therefore no fines for violations of corruption and bribery regulations in the past financial year. The Anti-Corruption Policy contains all the requirements that instruct employees to behave in accordance with the law and all measures to be taken in the event of violations.

Disclosure Requirement G1-6 – Payment practices

On average, the company requires around 13 days to pay an invoice from the start of the contractual or statutory payment period. However, the evaluation also includes invoices that were disputed or whose due date had not yet arrived; in these cases, no corrections are usually made in the system that would reduce the overdue period. Conversely, invoices are also occasionally paid early, for example, if discounts have been agreed.

To determine the average delayed payment period, the days after the due date were extracted from the system which covers approx. 80% of the Group's accounting system. As a result, the representative average of around 13 days was determined.

In accordance with the currently applicable General Terms and Conditions of Purchase, payments are due within 45 days of approval of receipt or acceptance of the delivery item, and receipt of the original invoice with a deduction of

3% discount or 90 days net cash, unless otherwise agreed. Advance payments are generally only made for a bank guarantee.

There are currently no pending legal proceedings for late payment.

The Board of Directors of POLYTEC Holding AG

MARKUS HUEMER
CEO | Chairman of the Board

PETER BERNSCHER
CCO | Deputy Chairman of the Board

MARTIN RESCH
COO | Member of the Board

MARKUS MÜHLBÖCK
CFO | Member of the Board

Hörsching, 01. April 2025