

SUSTAINABILITY REPORT

2025

The Sustainability Report is part
of the 2025 Annual Report

Combined separate non-financial report 2025 of ElringKlinger AG

Introduction

The combined separate non-financial report of ElringKlinger AG, which combines the Group sustainability statement and the non-financial statement of the parent company, was prepared to comply with Sections 289b to 289e, 315b, and 315c of the German Commercial Code (Handelsgesetzbuch – HGB), including the disclosures contained in this separate non-financial report to meet the requirements of Article 8 of Regulation (EU) 2020/852 (hereinafter referred to as “sustainability report”).

In accordance with Section 289d HGB in conjunction with Section 315c HGB, the sustainability report is prepared for the first time in partial application of European Sustainability Reporting Standards (ESRS), which were defined by the Delegated Regulation of the EU Commission of July 31, 2023, supplementing Directive 2013/34/EU on sustainability reporting. The ESRS currently applicable originate from Delegated Regulation (EU) 2023/2772 of July 31, 2023, in the version of Delegated Regulation (EU) 2025/1416 (Quickfix).

ElringKlinger is implementing the provisions of the ESRS framework step by step as part of its first-time application. In certain areas, the standards are currently still being applied in part, as internal systems, data processes, or definitions are subject to adaptation and further refinement. This concerns the future integration into the management report in accordance with ESRS 1.110 as well as other metrics described below.

The health and safety metric presented in this report in accordance with ESRS S1-14 is calculated using an entity-specific definition that differs from that outlined in ESRS. It does not include data on non-employees related to the placement and provision of workers in the context of labor market services, i.e., employment activities. The definition thus corresponds to that used as a modifier in short-term Management Board compensation within the ElringKlinger Group. In the first reporting year, the Group also disclosed no information on days lost due to work-related ill health or fatalities. These metrics are to be expanded in 2026.

The targets for reducing GHG emissions are reported in a combined form in the current reporting year. Proportions of the respective Scope emissions are currently not presented separately and therefore deviate from the requirements of ESRS E1 paragraph 34(b).

In addition, the overall quantitative contribution of the anticipated decarbonization levers is presented in an aggregated form. A detailed quantification of the emissions reduction impact attributable to individual levers cannot yet be provided for the current reporting year. For this reason, the disclosures relating to ESRS E1 paragraph 29(b) and paragraph 34(f) do not fully comply with the requirements of ESRS.

In the previous year, the report was published in accordance with Directive 2013/34/EU (Accounting Directive) as amended by Directive 2014/95/EU (Non-financial Reporting Directive), which was transposed into German law through CSR-RUG. It should be noted that, at the time of compiling of this report, transposition into national law is as yet pending. Thus, all reporting obligations under ESRS have been applied early on a voluntary basis.

Deloitte GmbH Wirtschaftsprüfungsgesellschaft (hereinafter referred to as “Deloitte”) performed a limited assurance engagement on the sustainability report. The limited assurance engagement performed by Deloitte did not cover supplementary content on external or Group-specific websites referred to in the report nor the disclosures in the base year under ESRS E1-1. In the course of preparing the report, ElringKlinger conducted a double materiality assessment in accordance with Section 289c(3) and Section 315c(2) HGB in order to comply with the legal requirements by applying the materiality assessment in accordance with European Sustainability Reporting Standards (ESRS).

ElringKlinger complies with the statutory obligation to disclose non-financial information in accordance with the “Gesetz zur Stärkung der nichtfinanziellen Berichterstattung der Unternehmen in ihren Lage- und Konzernlageberichten” (“Act to Strengthen the Non-financial Reporting by Corporations in their Management and Group Management Reports”) under the provisions of the German Commercial Code (Handelsgesetzbuch – HGB) (as amended by CSR-RUG) on the basis of the ESRS as a framework. The reportable items pursuant to Section 315c(1) HGB in conjunction with Section 289c(2) HGB with regard to environmental matters, employee matters, social matters, respect for human rights, and combating corruption and bribery were taken into consideration. ElringKlinger has not identified any material issues or risks in relation to social matters and has therefore not drawn up a corresponding policy in this specific area. Furthermore, there are no non-financial performance indicators that have been classified as being “key” indicators (Section 289c(3) no. 5, Section 315(3) HGB). The table illustrates the allocation of ESRS topic standards to the required matters of Section 315c(1) HGB in conjunction with Section 289c(2) HGB:

Matters required under Section 315c(1) HGB in conjunction with Section 289c(2) HGB	Allocation to ESRS topics
Environmental matters	E1 Climate change E2 Pollution E4 Biodiversity and ecosystems E5 Resource use and circular economy
Employee-related matters	S1 Own workforce S2 Workers in the value chain
Social matters	Not identified as a material topic; therefore no policies exist.
Respect for human rights	S1 Own workforce S2 Workers in the value chain G1 Business conduct
Combating corruption and bribery	G1 Business conduct

For the purposes of improved readability, ElringKlinger also applies the term “employees” in this sustainability report in the same way as the term “workforce” is used in the ESRS framework.

This sustainability report also serves as a progress report for the Baden-Württemberg Climate Alliance.

General disclosures (ESRS 2)

Disclosure requirements

General basis for preparation of the sustainability report (BP-1)

The scope of consolidation of this combined sustainability report corresponds to that of the consolidated financial statements for 2025. The policies and results presented relate to both the parent company ElringKlinger AG and the Group. In accordance with Section 289d HGB, ElringKlinger also discloses information on the parent company ElringKlinger AG with regard to relevant metrics. These are indicated accordingly in the text of the report.

All relevant activities, resources, and relationships relating to the Group's business model and its environment were taken into account in the preparation of this combined sustainability report. This includes the undertaking's own operational processes as well as the upstream and downstream supply and distribution chains. Financial, geographical, geopolitical, and regulatory factors were also taken into consideration. The Group assesses the impact and the associated risks and opportunities in respect of environmental, social, and governance matters on an ongoing basis.

No use was made of the option not to disclose certain prescribed information for reasons of confidentiality or to omit information on impending developments or matters in the course of negotiation.

As regards the terms and abbreviations used in this report, the definitions of the official ESRS glossary shall apply, which can be viewed via the following [\[link\]](#)¹.

Disclosures in relation to specific circumstances (BP-2)

The transitional arrangements documented in the table in accordance with Appendix C outline the practical expedients applied in the reporting year relating to sections ESRS E1, ESRS E2, ESRS E4, ESRS E5, and ESRS S1 as well as the relevant common application requirements in connection with ESRS 2. These include temporarily suspended or simplified topic-specific requirements, the use of estimates to map data from the value chain, and planned actions aimed at gradually

improving data quality. This approach meets the requirements of ESRS BP-2 by presenting in a transparent and comprehensible manner how these specific circumstances influence the preparation of the sustainability report in the reporting year.

For metrics that include data from the upstream and/or downstream supply chain, ElringKlinger makes disclosures with regard to those estimates that are based on sector-average data or other proxies.

The use of estimates is necessary in particular when primary data from the supply chain is not available in sufficient quality or granularity, data collection processes are still under development, or reporting deadlines do not allow for complete primary data collection. In these cases, the type and source of the proxies (e.g., sector averages) and the actions for future improvement are disclosed in the text passages concerned.

Where estimates are used, the associated fluctuations in measurement and outcome are described accordingly and, where possible, expected future changes due to improved data availability, process maturity, or adjusted assumptions are explained.

The table below contains information on estimated upstream and downstream supply chain data. As regards the undertaking's own activities and the activities in the upstream and downstream supply chain, no category was identified that is associated with a high level of measurement or outcome uncertainty.

¹ The links in square brackets are not subject to the separate limited assurance review.

Topical ESRS	Subtopic	Metrics with assumptions/measurement uncertainties	Chapter
ESRS E1	Climate change mitigation	Emissions from purchased goods and services (Scope 3.1)	E1-6
ESRS E1	Climate change mitigation	Emissions from upstream transportation and distribution (Scope 3.4)	E1-6
ESRS E1	Climate change mitigation	Emissions from employee commuting (Scope 3.7)	E1-6
ESRS E1	Climate change mitigation	Emissions from downstream transportation and distribution (Scope 3.9)	E1-6
ESRS E1	Climate change mitigation	Emissions from end-of-life treatment of sold products (Scope 3.12)	E1-6
ESRS E2	Substances of concern	Substances of concern	E2-5
ESRS E2	Substances of very high concern	Substances of very high concern	E2-5
ESRS E5	Circular economy	Resource inflows: The overall total weight of products and technical and biological materials used during the reporting period.	E5-4
ESRS E5	Circular economy	Resource inflows: ISO 14001 and signed Supplier Manuals for water-relevant product groups as assumptions for the upstream supply chain.	E5-4
ESRS E5	Circular economy	Resource inflows: Key inflows of critical raw materials and rare earth elements.	E5-4
ESRS E5	Circular economy	Resource inflows: Absolute weight of secondary reused or recycled components, products, and materials.	E5-4
ESRS E5	Circular economy	Resource outflows: Description of the key products and materials in respect of their durability.	E5-5
ESRS E5	Circular economy	Resource outflows: Total overall weight of materials used in production.	E5-5
ESRS E5	Circular economy	Resource outflows: Disclosure of the rates of recyclable content in products and their packaging.	E5-5
ESRS E5	Circular economy	Resource outflows: Information on waste.	E5-5

Owing to the fact that a non-financial statement was prepared in the previous reporting year without applying the ESRS framework, no comparative base is available for the current reporting year. Against this background, there are no changes in the preparation or presentation of the sustainability information, nor are there any deviations from previous reporting periods. Consequently, no revised comparative figures or corrections to previous disclosures are required. In addition, in the first reporting year of the partial application of ESRS, ElringKlinger is making use of the option provided to dispense with the presentation of comparative figures for the previous year.

ElringKlinger does not disclose any additional details stemming from other legislation as part of its sustainability reporting. Similarly, at present there are no plans to incorporate information by reference. The appendix to this sustainability report contains an overview of the transitional provisions applied in the reporting period in accordance with Appendix C to ESRS 1, which were amended by the “Quickfix” adopted by the EU Commission on July 11, 2025.

Governance

The role of the administrative, management, and supervisory bodies (GOV-1)

In accordance with the German Codetermination Act (Mitbestimmungsgesetz – MitbestG), ElringKlinger’s Supervisory Board consisted of twelve members in the 2025 reporting year, made up of six shareholder representatives and six employee representatives. In the 2025 reporting year, Dr. Sabine Lutz replaced Andreas Wilhelm Kraut as a shareholder representative and Kai Lamparter and Saskia Genthner succeeded Gerald Müller and Barbara Resch as employee representatives. Thus, the employee representatives in the reporting year were Saskia Genthner, Kai Lamparter, Paula Maria de Castro Monteiro Munz, Markus Siegers, Bernd Weckenmann, and Olcay Zeybek. Two of them are employed full-time by IG Metall, two others are active members of the works council. The shareholder representatives on the board as of December 31, 2025, included Ingeborg Guggolz, Ludger Heuberg, Dr. Sabine Lutz, Helmut P. Merch, Gabriele Sons, and Manfred Strauß. As Chairman of the Supervisory Board, Helmut P. Merch is responsible for monitoring the impacts, risks, and opportunities. As of December 31, 2025, the number of non-executive members amounted to twelve Supervisory Board members and the number of executive members to four Management Board members. An up-to-date overview of the composition of the [Management Board](#) and the [Supervisory Board](#) can be found on the ElringKlinger website [\[link\]](#).

As of December 31, 2025, ElringKlinger’s Management Board consisted of Thomas Jessulat (Chairman of the Management Board, CEO), Isabelle Damen (Chief Financial Officer, CFO), Reiner Drews (Chief Operating Officer, COO), and Dirk Willers (Chief Sales Officer, CSO). Overall responsibility for sustainability lies with CEO Thomas Jessulat. In addition, the Management Board can draw on subject-specific expertise regarding strategic and risk-related aspects of sustainability. Based on their own assessment, the members of the Supervisory Board also have the necessary qualifications and experience to perform their monitoring and control functions in an appropriate manner and in accordance with legal requirements. In the area of sustainability, Ludger Heuberg, Dr. Sabine Lutz, Helmut P. Merch, Gabriele Sons, and Manfred Strauß in particular contribute in-depth knowledge acquired through professional experience. The Board members’

expertise should support the timely identification and containment of sustainability-related risks while enabling sustainability-specific opportunities to be leveraged in a focused manner. In those cases in which additional specialist and legal advice is required in connection with sustainability matters and material impacts, risks, and opportunities, such services are requested by the governance bodies. Internal experts from the Corporate Sustainability, Human Resources, Quality, Purchasing, Supply Chain Management, and Real Estate & Facility Management corporate units are available for this purpose.

Gender distribution of the Management Board and Supervisory Board as of December 31, 2025:

Board	Total number of members	Women	Men
Management Board	4	1 (25%)	3 (75%)
Supervisory Board	12	4 (33.3%)	8 (66.7%)

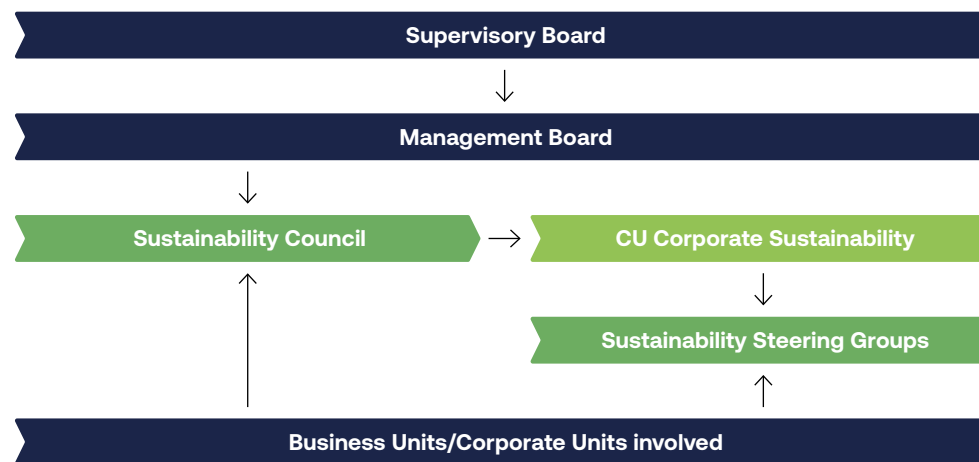
In total, four people form part of the Supervisory Board as independent members, meaning that the proportion of independent members is 33.3% (4 out of 12). Independence exists if there are no relationships that impair independent decision-making.

The corporate unit responsible for Corporate Sustainability coordinates all of the Group’s sustainability activities. The Management Board informs the Supervisory Board of the level of progress made with regard to sustainability. The Supervisory Board plays an advisory role to the Management Board and monitors developments. Overall responsibility for the corporate unit Corporate Sustainability lies with the Chairman of the Management Board (CEO). Sustainability issues relating to specific areas of responsibility are dealt with within the respective spheres of accountability of the Management Board. Strategic management is conducted by the Sustainability Council. This body is chaired by the CEO and is made up of the members of the Management Board and the managers responsible for the relevant areas of action. The Sustainability Steering Groups are responsible for operational implementation. These specialist committees translate the overarching sustainability goals into specific actions and metrics, in addition to implementing them in the respective areas. This structured governance is designed to ensure the effective advancement of sustainability issues. The aim is to reduce environmental impacts on an ongoing basis while consistently exercising corporate due diligence with regard to the respect of human rights along the entire value chain.

The Management Board is actively involved in the governance processes, controls, and procedures used to monitor, manage, and oversee sustainability-related impacts, risks, and opportunities. The Supervisory Board has set up several committees for the purpose of reinforcing governance. For example, the Audit Committee monitors statutory reporting obligations and regulatory requirements in the area of sustainability. The Nomination Committee takes sustainability matters into account when selecting Management Board members, while the Personnel Committee takes them into consideration when determining Management Board remuneration. All committees report regularly on their work at Supervisory Board meetings. As part of the Sustainability Council, the CEO provides the Vice Presidents of the respective areas of action with an annual update on the Group’s progress in the area of sustainability. There are no further specific controls or processes in place for the purpose of managing impacts, risks, and opportunities.

The corporate unit responsible for Corporate Sustainability works with specialists across all units and departments with the aim of ensuring the further refinement and implementation of Group-wide sustainability activities. At the same time, sustainability information is collected and evaluated in a software program with a view to improving data transparency on an ongoing basis. For further details on specific controls and processes for managing impacts, risks, and opportunities, please refer to section ESRS 2 GOV-5 [\(link\)](#).

Organizational structure



Responsibility for compliance lies with the entire Management Board, which is also tasked with shaping the compliance culture. The CEO is responsible for the organizational structure underlying compliance, which includes setting up an effective, suitably designed compliance management system (CMS), appointing compliance officers, and formulating, approving, and disseminating sets of regulations, in particular the Code of Conduct.

In his role as Vice President Legal & Compliance, the Chief Compliance Officer (CCO) is responsible for leading the Group-wide compliance organization as well as for the implementation, design, and continuous development of the Compliance Management System (CMS). The CCO is supported by Compliance Officers in the high-revenue regions of Europe, Asia, and South America, who report directly to him. In North America, the organization is supported by a specialized law firm. The CCO reports directly to the Chief Financial Officer and also informs the CEO in the event of compliance violations. In addition, reports on compliance issues are submitted regularly to the Management Board and at Supervisory Board committee meetings.

The Supervisory Board monitors the Management Board's managerial activities and adherence to regulatory requirements in the area of compliance. Internal Audit, meanwhile, carries out process-independent audits of the CMS.

On account of their many years of professional experience, both the members of the Management Board and the Supervisory Board have extensive knowledge and expertise in the area of compliance.

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

The Chairman of the Management Board (CEO) also discusses sustainability-related issues with his colleagues at Management Board meetings, in addition to conferring with the Chairman of the Supervisory Board as required. Furthermore, the Sustainability Council informs the decision-makers annually about progress in the respective Steering Groups.

The company has yet to examine how material impacts, risks, and opportunities are explicitly incorporated into the monitoring of corporate strategy. In 2025, the results of the materiality assessment were incorporated into the risk survey of the general risk management process. There were no known compromises in connection with the material impacts, risks, and opportunities. The Management Board dealt with all material impacts, risks, and opportunities in the reporting year. A list of the material impacts, risks, and opportunities can be found under the disclosure requirements for SBM-3 and in the respective topic standards.

Both the Management Board and the entire Supervisory Board are furnished with information on the key matters of sustainability reporting in accordance with ESRS at regular meetings as required.

Integration of sustainability-related performance in incentive schemes (GOV-3)

Sustainability-related performance metrics are an integral part of the remuneration policy and are incorporated into both short-term variable compensation (STI) and long-term variable compensation (LTI) via defined modifiers. The modifiers are redefined annually by the Supervisory Board and are used for the purpose of measuring non-financial performance.

The compensation (i.e., remuneration) system for the Management Board combines the element of financial target attainment with aspects of qualitative performance. The individual and collective performance is assessed using modifiers, which are based on clearly defined criteria. The Supervisory Board defined three such modifiers for 2025, including two non-financial modifiers.

The modifier relating to occupational safety is based on the trend in the Group-wide occupational accident rate and measures the change in the number of recordable work-related accidents per 1 million working hours in the reporting year compared to the previous year. Target attainment is assessed on the basis of the percentage reduction in accidents at work; a reduction of 10% was defined as the target for 2025. The modifier only takes into account accidents at work suffered by the undertaking's own employees and applies the entity-specific calculation methodology for the purposes of Management Board compensation.

The modifier relating to energy efficiency measures the improvement in energy efficiency of the undertaking's own business activities and is based on the trend in energy consumption in relation to Group revenue. This includes assessing the relative change in energy use, i.e., the emissions from Scope 1, Scope 2 (market-based) and business trips, compared to the previous year. The aim of the modifier is to provide financial incentives to ensure greater use of energy from sustainable sources and a reduction in specific energy consumption in production processes. The target set for 2025 was a reduction of 10%. There is no link between this remuneration modifier and the greenhouse gas emission reduction targets disclosed under ESRS E1-4, as the underlying Scopes differ. The reduction measures, on the other hand, are congruent. ElringKlinger is examining the extent to which a stronger link can be established in future between Management Board remuneration and the GHG reduction targets reported in ESRS E1-4.

Each of the three modifiers is set within a range of 0.8 to 1.2, with 1.0 corresponding to full target attainment. The determination of the three modifiers is carried out collectively. An individual allocation value is contractually defined for each member of the Management Board. The overall target attainment is calculated by adding the metrics for adjusted earnings before interest and taxes (adjusted EBIT) and operating free cash flow (FCF), multiplied by the overall modifier resulting from the three equally weighted modifiers. The STI figure is calculated by multiplying the individual allocation value by overall target attainment. As with the STI, in the case of the LTI the allocation value is multiplied by overall STI target attainment achieved in the previous year. The amount paid out for the respective financial year under review is determined on the basis of this calculation. The Supervisory Board is responsible for adjustments to the incentive system. In addition, the compensation system is submitted to the Annual General Meeting for a vote every four years at the latest (Say on Pay).

Statement on due diligence (GOV-4)

The implementation of corporate due diligence is closely linked to the disclosure requirements of the ESRS. An overview table, i.e., mapping, is provided below to illustrate transparently how these requirements are implemented in the sustainability report.

Core elements of due diligence	Paragraphs in the sustainability report
a) Embedding due diligence in governance, strategy, and business model	ESRS 2 GOV-1
	ESRS 2 GOV-2
	ESRS 2 GOV-3
	ESRS 2 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2
	ESRS 2 SBM-2
	ESRS 2 IRO-1
	Disclosures on policies in the respective topic standards: E1-2, E2-1, E4-2, E5-1, S1-1 to S1-3, S2-1 to S2-4, G1-3
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1
	ESRS 2 SBM-3
	ESRS E1 Climate change – Impacts, risks, and opportunities (SBM-3) (paragraphs 18 and 19)
	ESRS E2 Pollution – Impacts, risks, and opportunities (SBM-3)
	ESRS E4 Biodiversity and ecosystems – Impacts, risks, and opportunities (SBM-3) (paragraph 16)
	ESRS E5 Resource use and circular economy – Impacts, risks, and opportunities (SBM-3)
	ESRS S1 Own workforce – Impacts, risks, and opportunities (SBM-3) (paragraphs 13 to 16)
	ESRS S2 Workers in the value chain – Impacts, risks, and opportunities (SBM-3) (paragraphs 10 to 13)

Core elements of due diligence**Paragraphs in the sustainability report**

d) Taking actions to address those adverse impacts

Actions and resources in relation to climate change policies (E1-3)

Actions and resources related to pollution (E2-2)

Actions and resources related to biodiversity and ecosystems (E4-3)

Actions and resources related to resource use and circular economy (E5-2)

Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

e) Tracking the effectiveness of these efforts and related communication

Actions and resources in relation to climate change policies (E1-3)

Actions and resources related to pollution (E2-2)

Actions and resources related to biodiversity and ecosystems (E4-3)

Actions and resources related to resource use and circular economy (E5-2)

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

Taking action 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 actions (S2-4)

Risk management and internal controls over sustainability reporting (GOV-5)

ElringKlinger's risk management system consolidates the risks of the entire Group with a view to ensuring comprehensive coverage of risk. It is aimed at ensuring that all available sources of information are taken into account; it complements the strategic planning, management, and reporting process of all legal entities. In addition, the risk management system forms an integral part of management reporting and the Group-wide corporate planning system.

The identification, assessment, and prioritization of sustainability risks is based on their respective time horizons: short-term (less than one year), medium-term (one to five years), and long-term (more than five years). A quantitative assessment is used for short-term risks; it is conducted in the same way as risk reporting relating to the early risk detection system. The system takes into account both the individual risks from the operating units recorded in accordance with the bottom-up principle and the Group risks from corporate units assessed in accordance with the top-down principle. All risks are outlined for an observation period of one year, with likelihood of occurrence and extent of damage, and categorized uniformly for the purpose of aggregation. Aggregation is performed by means of the Monte-Carlo method. A qualitative assessment approach is used for medium- and long-term sustainability risks, which focuses on Group risks according to the top-down principle. The likelihood of occurrence is categorized as "unlikely," "possible," "likely," and "very likely," while the severity of harm, i.e., damage, is categorized as "low," "medium," and "high." For the purpose of prioritizing risks, an expected value is determined from the likelihood of occurrence and the severity of harm.

In the context of regular short-term risk reporting, the risk management team prepares a consolidated Group report for the Management Board and the Supervisory Board every six months. The format and the structure of the Group risk report are standardized; thresholds are applied for the purpose of focusing on material individual risks and aggregated risk categories. The Group risk report ensures, among other things, transparent monitoring of the overall risk situation; it is submitted to the Supervisory Board by the Management Board. In those cases in which medium- or long-term risks are identified, they are discussed as part of regular strategy meetings with the entire Management Board. The focus of these meetings is on analyzing market developments, customer requirements, and industry and technology trends.

In an effort to avoid or mitigate organizational risks, ElringKlinger implements several process-integrated controls as part of its risk management process. They include:

- Ensuring the completeness of recorded risks
- Conducting plausibility checks of risk descriptions and risk actions beyond a certain threshold value
- Ensuring adherence to defined reporting dates
- Supporting risk managers in the context of risk assessment
- Conducting training courses
- Performing the induction of new risk managers

The control mechanisms are firmly integrated into ElringKlinger’s internal control system. They are intended to ensure consistent risk reporting.

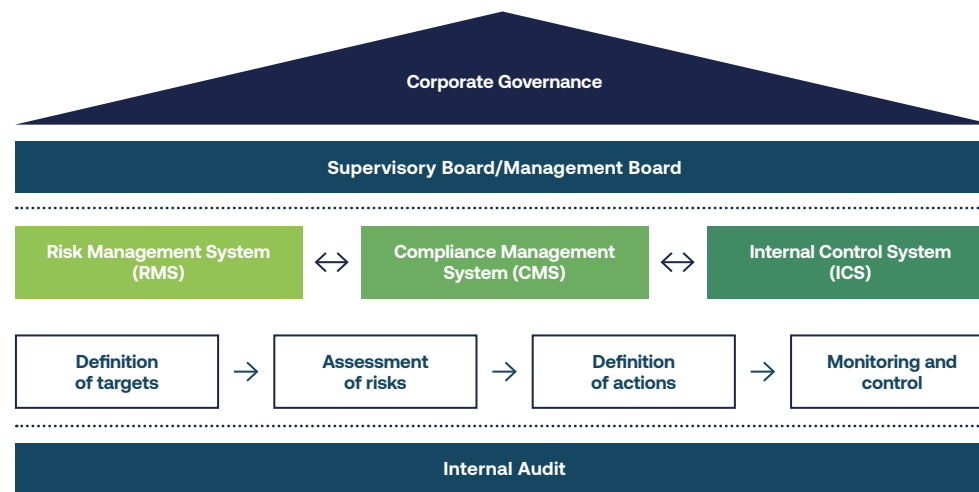
Systemic weaknesses are to be reported to the Management Board for the purpose of ensuring transparent monitoring. In addition, the Global Risk Manager, who is assigned to the Legal and Compliance unit, informs the Management Board and the Audit Committee on a quarterly basis on all material developments and changes to the risk management system. ElringKlinger regularly informs its stakeholders about current risks, including sustainability risks, as part of its annual and quarterly reports. The material risks identified are described in ESRS 2 SBM-3 [\(link\)](#) and in the respective topical ESRS.

The risks were identified and assessed as part of the double materiality assessment, which is described under section ESRS 2 IRO-1. Material risks are mitigated in particular through the implementation of binding policies and principles of conduct, the integration of relevant sustainability risks into the company-wide risk management system, and due diligence processes in relation to business partners. Internal control and monitoring processes are in place to ensure the effectiveness of the mitigation strategies, in particular an internal control system (ICS) with preventive and detective controls, internal audits, and external audit or certification procedures, a whistleblower system for reporting potential violations, and regular risk assessments and evaluations.

The Group has introduced internal control mechanisms to identify and mitigate potential process risks in sustainability reporting at an early stage. This includes the two-person rule when it comes to checking the reported sustainability information. Material process risks and associated internal controls are to be integrated into the existing risk control matrix in future. The effectiveness of the implemented controls is reviewed regularly and further refined for the purpose of continuously

improving process reliability. The review is conducted via process-independent quality assessments by external audit firms and, in the case of future audits, by Internal Audit, as well as via the established cycle of the internal control system, in particular through control testing.

Risk Management System as a Component of the Government Framework



Strategy

Strategy, business model, and value chain (SBM-1)

As an automotive supplier, the ElringKlinger Group specializes in the development of high-tech solutions relating to various types of drive system. The product portfolio includes drive components such as gaskets, shielding technology and lightweight components as well as pioneering technologies within the field of electromobility, including components and modules for battery and fuel cell technology. This is complemented by products tailored to the global aftermarket business. The Group also manufactures products made of high-performance plastics for sectors beyond the automotive industry. ElringKlinger operates at a global level and supplies customers all over the world.

From a sustainability perspective, the key product groups relate to solutions for next-generation mobility. This includes products centered on battery and fuel cell technology as well as lightweight structural components. The most important customer categories are predominantly automotive manufacturers and major Tier 1 suppliers.

ElringKlinger's strategic orientation is shaped by sustainability and technological innovation. The Group focuses on the development of products for low-emission or emission-free mobility. The emphasis is on fuel cell, battery, and lightweight structural engineering technologies. At the same time, the Group's long-standing business units, which already offer a wide range of products for low-emission and emission-free vehicles, are also undergoing transformation. Furthermore, ElringKlinger is committed to environmental and social responsibility along the entire value chain. This includes measures aimed at sustainable decarbonization and the continuous improvement of working conditions and occupational safety worldwide.

As of December 31, 2025, the number of employees at ElringKlinger totaled 8,605. Taking into account the ESRS definition, which also includes vocational trainees and students, interns, working students, and temporary staff, the total headcount was 8,946. ElringKlinger is represented at around 40 locations worldwide.

Headcount by geographical area as of December 31, 2025

Geographical area	Headcount
Europe	5,676
Asia-Pacific	1,480
North America	1,275
South America and Rest of the World	515
Total	8,946

ElringKlinger is predominantly positioned as a Tier 1 supplier within the automotive industry value chain. The Group mainly operates in the Original Equipment segment and maintains direct customer relationships with vehicle and engine manufacturers. Within the area of Engineered Plastics, which boasts a wide range of products, ElringKlinger operates as a supplier to customers from various sectors. In the Aftermarket segment, the customer base consists of wholesalers and group purchasing organizations.

In launching its SHAPE30 corporate strategy in 2024, ElringKlinger created the strategic framework for long-term value orientation. In 2025, SHAPE30 defined the Group's strategic direction with regard to all processes and decisions. SHAPE30 is based on five key success factors, with sustainability playing a central role as a success factor in its own right. Sustainable action forms an integral part of the company's strategic approach, the purpose of which is to meet the material challenges of our time – such as the transformation of mobility, the issue of climate change, the availability of raw materials, and more far-reaching regulatory requirements. The aim is to reconcile economic success in all areas of business with environmental and social responsibility.

The values and policies derived therefrom are consistently reflected in the company's day-to-day decision-making. In its efforts to implement SHAPE30, ElringKlinger is driving innovation forward in support of zero-emission mobility. This goes hand in hand with a comprehensive transformation of the entire product portfolio. For its own production processes, the Group is pursuing the goal of achieving carbon neutrality in Scope 1 and Scope 2 by 2030. This means that from 2030 onwards, all unavoidable emissions will be offset outside the Group's own value chain through the use of appropriate emission certificates. For Scope 3, the Group adopts an impact-based approach: the targets relate to the key Scope 3 categories Scope 3.1 (purchased goods and services – direct materials) and Scope 3.4 (upstream transport and distribution), which together account for around 74% of total Scope 3 emissions. A reduction of 32.5% by 2033 (base year 2023) has been defined for these categories. By focusing on these areas, ElringKlinger is specifically addressing the most emission-intensive and, at the same time, controllable parts of the value chain, where the Group sees the greatest potential for reducing emissions.

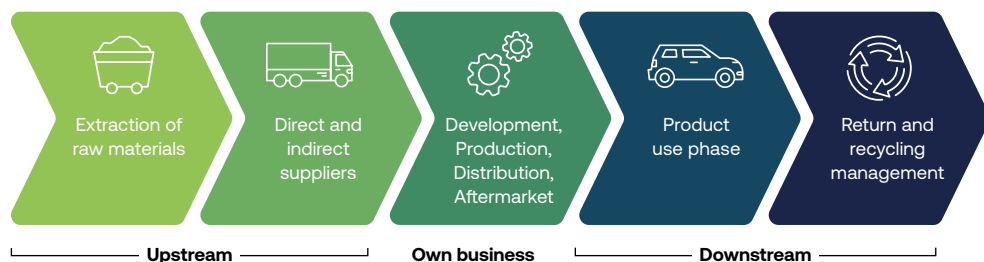
In 2025, ElringKlinger made advances in the area of sustainability. The Group considers its progress in the reporting year to be on target. Among the actions implemented are the conversion of further electricity supply contracts to green electricity in China and the United States. In addition, all emissions generated by the European sites in connection with gas consumption, heating oil, and the vehicle fleet were offset by voluntary emission compensation measures outside the ElringKlinger supply chain.

With a view to reducing upstream Scope 3 emissions, ElringKlinger tightened its sustainability requirements with regard to the selection and auditing of suppliers. At the same time, the Group endeavors to enhance carbon data transparency, in addition to targeting the assessment of emission reduction potential.

ElringKlinger’s upstream supply chain begins with the extraction of raw materials, as production predominantly requires primary raw materials. Among the materials procured are alloyed stainless steels, carbon steel, aluminum, polyamide-based plastic granules, i.e., pellets, and elastomers as well as polytetrafluoroethylene; these materials are sourced from international markets. Purchasing is largely organized centrally, the rationale being to pool requirements to the greatest extent possible, conclude blanket agreements, and minimize procurement risks. Additionally, local procurement strategies are employed where they are considered economically viable. Among the primary stakeholders are vehicle manufacturers and larger Tier 1 suppliers. ElringKlinger attaches particular importance to supplier relationships based on a spirit of partnership.

ElringKlinger maintains efficient production and logistics processes for the purpose of ensuring the reliable supply of its customers. The products are manufactured at quality-oriented plants and delivered on time and in the required quality, mainly in reusable transport containers.

Downstream processes in the supply chain include the use of ElringKlinger products and their end-of-life management. Among the key stakeholders are the Group’s customers as well as spare parts workshops. Aspects of end-of-life management are incorporated as early as the development process in order to facilitate proper reuse and the recovery of valuable raw materials at the end of the use phase.



Governance, compliance, and integrity are priorities for ElringKlinger along the entire value chain.

Future challenges for ElringKlinger relate in particular to the decarbonization of energy- and material-intensive production processes, the aspect of securing sustainable raw materials such as metallic materials and high-performance polymers, increasingly complex regulatory requirements – for example in the area of due diligence along the supply chain –, and the need to collect consistent and supportable primary data across all stages of the value chain. In order to meet these challenges as effectively as possible, ElringKlinger is focusing on a comprehensive package of measures: The emphasis is on the systematic implementation of the Group’s SHAPE30 strategy, which envisages a clearly defined transformation of the product portfolio towards zero-emission mobility. The Group is also pursuing programs to increase energy efficiency, including the gradual switch to green electricity. ElringKlinger is also strengthening its collaborative relationships with suppliers through binding sustainability requirements, audits, and the further refinement of common data standards. Another focus is on “Design for Circularity,” which incorporates aspects of reparability, reuse, and recycling as early as the product development stage, thus improving resource conservation and recyclability over the entire life cycle.

No transition plan in accordance with ESRS E1-1 was presented in the reporting year. In this context, full compliance with the requirements is not possible at present, as material elements – in particular the issue of dovetailing the existing climate strategy with the quantified pathways for transformation required by the standard, including sectoral benchmarks, financial impacts, and transition risks – are not yet sufficiently mature. In addition, the integration of emission targets, in accordance with the requirements of the Science Based Targets initiative (SBTi), including the associated financial, investment, and control processes, is still under development. With this in mind, the internal data, planning, and control structures needed to fully map a transition plan in accordance with ESRS E1-1 are not expected to be in place until the coming reporting years.

Interests and views of stakeholders (SBM-2)

ElringKlinger attaches great importance to maintaining an ongoing dialogue with its stakeholders. On this basis, the company is able to gain an understanding of its stakeholders’ viewpoints and incorporate them into its business activities. The Group considers stakeholders of strategic relevance to be those groups that make a significant contribution to the company’s success. These include employees, the works council, customers, banks, shareholders, business partners, and suppliers. Additionally, representatives of governments and authorities, the public and media, non-governmental organizations (NGOs), associations, and members of the scientific and research community are considered to be relevant stakeholders.

ElringKlinger relies on a wide range of communication tools for the purpose of engaging in dialogue with its stakeholders. The company's own workforce is kept informed via internal communication channels such as the intranet, company meetings, and notices, in addition to being actively involved through regular staff surveys. The company reaches customers primarily in person, via trade shows, the company website, and social media platforms. Suppliers are involved in direct discussions, negotiations, self-assessments, and audits, while collaborative efforts with the scientific community take the form of targeted cooperation with universities and joint projects. Active management of press relations aims to keep all stakeholders consistently informed about current company news. Furthermore, shareholders are given the opportunity to attend ElringKlinger's Annual General Meeting, capital market events, and company visits. ElringKlinger also uses multiple social media channels to address different stakeholder groups. The Group is committed to appreciative and open communication with its stakeholders, promotes constructive debate, including controversial issues, and considers this to be essential when it comes to the favorable positioning of the company. The outcome of the involvement of the undertaking's stakeholders is taken into account in the context of the double materiality assessment and is incorporated into the process of drawing up objectives and actions.

The issue of respect for human rights is addressed by considering the views of the workforce. In this context, ElringKlinger systematically incorporates the perspectives of its employees into its materiality assessment, the ongoing refinement of its sustainability strategy, and its management decisions by means of employee surveys, continuous dialogue with the Works Council, and secure and confidential whistleblower systems for compliance and human rights violations.

The key issues and concerns were identified and evaluated in cooperation with internal experts as part of the process to update the double materiality assessment for the 2025 reporting year. The update follows on from the first double materiality assessment, which incorporated the results of a stakeholder survey conducted in 2022.

As part of regular exchanges with stakeholders, the interests of stakeholder groups were taken into account in the assessment of impacts, risks, and opportunities in the context of the updated materiality assessment. ElringKlinger has identified the need for adjustments to its sustainability strategy and management systems with regard to certain impacts, risks, and opportunities. Initial measures aimed at addressing the need for adaptation were taken in 2025 as part of strategic projects. This includes the inclusion of climate risks in existing management systems, the further

elaboration of Scope 3 decarbonization actions, and the more far-reaching integration of sustainability matters within supplier management. This is to be seen against the background that ElringKlinger's business model is closely linked to global supply chains that pose various challenges in respect of working conditions and human rights.

Responsibility for communicating with national and local stakeholder groups lies with the respective national companies. At an international level, the corporate unit responsible for Strategic Communications oversees all dialogue with stakeholders. In addition, ElringKlinger's Management Board members are in regular contact with interest groups in an effort to incorporate their viewpoints into strategic decision-making. At the same time, structured meetings are held with the second management level on a regular basis to discuss recent developments within the Group. This ensures that relevant knowledge and new insights are disseminated promptly throughout the Group. Furthermore, the Supervisory Board is informed of material stakeholder viewpoints on sustainability-related topics as required, insofar as these are relevant to the Board's monitoring and advisory function.

Primary stakeholders

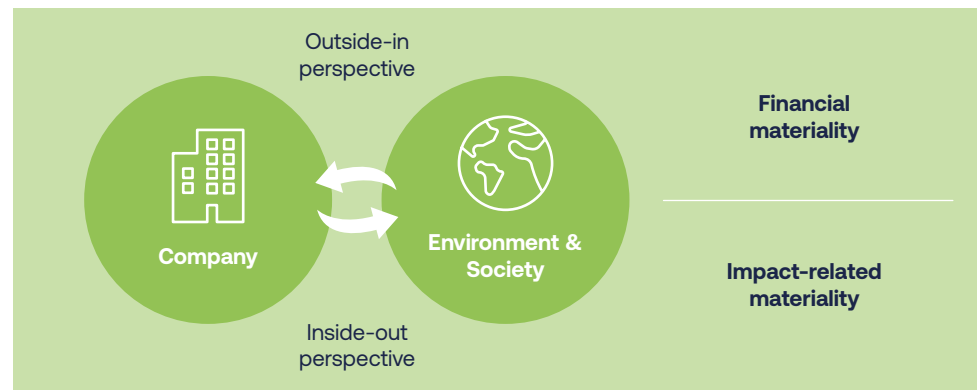
Shareholders, investors	Annual General Meeting, roadshows, regular financial reporting, sustainability reports, press conferences, press releases, trade shows, meetings with analysts and investors, financial ratings, capital market conferences, conference calls, plant tours
Customers	Face-to-face contact, customer events, trade shows, audits
Employees	Face-to-face meetings, intranet, information and dialogue-based events, annual management conference, works meetings, works council committees, company suggestion scheme
Business partners, suppliers, workers in the value chain	Supplier meetings, supplier surveys, supplier audits, supplier evaluation, supplier development, compliance management

Secondary stakeholders

Academia and research	Promotion of or participation in joint research projects, partnerships with universities, dissertation opportunities, lectures/debates/representation at company location and at (higher) education institutions
Governments and authorities	Political discussions with local authorities on current issues
NGOs and associations	Meetings, committees, forums, and events
Public and media	Press releases, press conferences, meetings with the financial and trade press, social media channels, trade shows, and plant tours
Works councils	Works meetings, works council meetings/consultations, involvement in decision-making processes in accordance with the Co-Determination Act, works agreements

Material impacts, risks, and opportunities and their interaction with strategy and business model (SBM-3)

As part of the double materiality assessment conducted in accordance with ESRS, ElringKlinger assessed sustainability topics with regard to the impact on the environment and society (impact-related materiality) as well as in respect of the financial risks and opportunities arising from these topics for the Group (financial materiality). The methodology applied with regard to the double materiality assessment for the 2025 reporting year is based on the procedure adopted for the 2024 sustainability report and has been further refined in line with ESRS. In accordance with ESRS 1 AR 16, the Group performed an even more detailed analysis of sustainability issues. This assessment is based on a structured due diligence process that systematically considers both internal and external impact drivers across the Group. A central assumption of the materiality assessment was that the assessment carried out at Group level is also representative of local conditions relating to the national companies.



A sustainability matter is material from an impact perspective when it pertains to the undertaking’s actual or potential, positive or negative impacts on people or the environment over the short-, medium-, or long-term. A sustainability matter is material from a financial perspective if it already has a significant financial impact on the undertaking today or could reasonably be expected to have a significant financial impact in the future. In particular, this includes risks and opportunities that could have a material impact on the financial position, financial performance, and cash flows as well as liquidity over various time horizons.

The influence of material impacts, risks, and opportunities on the corporate strategy, the business model, the value chain, and decision-making processes is reviewed on an ongoing basis. ElringKlinger draws up targeted actions on the basis of this assessment. In the reporting year, neither these findings nor the actions derived or planned from them prompted any adjustments to the strategic orientation or business model.

The material negative and positive impacts identified by ElringKlinger were classified as both actual and potential impacts. Due to the business model, the focus is particularly on GHG emissions. They have a short-term impact on emissions footprints and regulatory requirements. From a medium- to long-term perspective, however, they have a significant impact on global climate change. This is associated with strains on the population – often with a significant time lag – such as more pronounced extreme weather events or natural disasters. As a manufacturing company, ElringKlinger may also encounter environmental impacts along the entire supply chain that are measurable in the short term, depending on the impact driver, but can also have a long-term and in some cases irreversible impact on ecosystems. In addition, exacting compliance standards and

clearly defined corporate values are essential for ElringKlinger as a global automotive supplier with a complex supply chain in order to effectively prevent potential negative impacts on employees and workers along the entire value chain – both in the immediate present and with a view to medium- and long-term developments in working conditions.

In the reporting year, there were no events that had a significant financial impact in connection with the material sustainability-related risks and opportunities. Similarly, there are currently no indications that material adjustments to the carrying amounts of assets or liabilities reported in the financial statements will be necessary in the coming reporting year.

To ensure its adaptability, ElringKlinger conducts ongoing reviews of the resilience of its corporate strategy and business model to current and future material impacts and risks. The ability to exploit opportunities that have been identified is also subject to ongoing monitoring; this is taken into account as part of strategic and operational decision-making processes. The resilience analysis relating to strategy, business model, and supply chain was updated in the reporting year. It documents the degree of robustness against material climate-related impacts and risks, more details of which are provided under ESRS E1 SBM-3 ([link](#)).

Owing to the first-time application of the ESRS framework for sustainability reporting, there were no changes to the material impacts, risks, and opportunities compared to the previous reporting period. In addition, ElringKlinger reports on three entity-specific metrics, namely energy efficiency (ESRS 2 (GOV 3)), the research and development rate in connection with innovation and product transformation (ESRS E1-3) and the accident rate in the area of occupational health and safety (ESRS S1-14).

The topic-specific chapters each provide a detailed overview of the material impacts, risks, and opportunities. The methodology applied with regard to the double materiality assessment is explained in detail in section ESRS 2 IRO-1 ([link](#)).

The following overview is limited to presenting only the material impacts, risks, and opportunities pertaining to the ElringKlinger Group. ESRS E3 Water and marine resources, ESRS S3 Affected communities, and ESRS S4 Consumers and end-users were not classified as material in the double materiality assessment and have therefore not been included in the combined sustainability report.

IRO	Designation	Description	Attribution of value chain			Time horizon
			Upstream	Own business	Down-stream	Short-term (<1 y), medium-term (1–5 y), long-term (>5 y)
E1						
Actual negative impact	Supply-chain decarbonization (Scope 1, 2, and 3)	Energy-intensive manufacturing processes result in high levels of gas and energy consumption, which leads to relevant GHG emissions in the undertaking's own operations. Emissions are also produced in the upstream supply chain; these contribute to global warming and thus cause environmental pollution.	■	■	□	short-term
Risk	Supply-chain decarbonization (Scope 1, 2, and 3)	The decarbonization of production processes – especially in the supply chain – entails the risk of mounting costs, for example due to investments in new technologies or higher prices for climate-friendly materials. Price increases along the supply chain can affect profitability and margins and exert pressure on the undertaking to adapt.	■	■	□	medium-term
Opportunity	Supply-chain decarbonization (Scope 1, 2, and 3)	The active reduction of emissions and the transition to climate-neutral processes help to under-pin the transformation of the industry; such measures also ensure that ElringKlinger can take an early lead in positioning itself within a future climate-neutral economy. Improved climate performance enhances the company's profile as a sustainable and responsible technology partner and can unlock new market opportunities, particularly with customers who demand low-emission supply chains. By acting proactively, the company can leverage competitive advantages over less sustainable market participants.	□	■	■	short-term
Risk	Regulatory requirements in the area of sustainability	More extensive sustainability regulations lead to increased administrative effort.	□	■	□	short-term
Risk	Innovation and product transformation	The transformation of the product portfolio and production processes towards lower-emission or emission-free technologies requires high levels of investment. Thus, there is a tangible risk of misinvestment if technological developments, regulatory conditions or market requirements evolve contrary to expectations.	□	■	□	short-term
Opportunity	Innovation and product transformation	The development of new climate-friendly products and the optimization of internal processes to enhance efficiency open up financial opportunities for ElringKlinger. These actions help to strengthen competitiveness, tap into new market segments, and improve cost structures in the long term.	□	■	□	short-term
Risk	Energy costs and carbon pricing	Rising energy prices, particularly as a result of carbon pricing, cause greater economic strain and intensify global competition risks.	■	□	□	short-term

IRO	Designation	Description	Attribution of value chain			Time horizon
			Upstream	Own business	Down-stream	Short-term (<1 y), medium-term (1–5 y), long-term (>5 y)
E2						
Actual negative impact	Environmental impact of production processes	ElringKlinger's production processes and those in the upstream supply chain can cause pollutant emissions and residues that have a negative impact on air, water, and soil. The use of fossil fuels, for example, leads to emissions of nitrogen ox-ides (NO _x) and sulfur oxides (SO _x) that impair air quality and therefore pose a risk to public health. With regard to wastewater, production processes and upstream supply chains can cause ecological damage through discharges of chemical residues, metals, or dissolved organic substances.	■	■	□	short-term
Risk	Regulatory requirements and approval processes regarding substances of concern	Stricter environmental regulations, such as REACH and RoHS, impose a further administrative workload and additional costs. Any delays or compliance failures pose approval and liability risks. Changes in legislation can limit material availability and jeopardize process reliability, especially when sourcing certain fluoroplastics. Changes in the composition of materials used by ElringKlinger or in its choice of suppliers also generate additional costs.	□	■	□	short-term
Potential negative impact	Use of substances of (very high) concern	The handling of chemicals poses environmental and health risks. In ElringKlinger's own business, the improper handling of chemicals can have a negative impact, including possible soil and water contamination. These substances are potentially harmful to humans and the environment and may give rise to regulatory, financial, and reputational risks.	■	■	□	medium-term
Potential negative impact	Use of substances of (very high) concern	During upstream production, there is a risk of certain PFAS emissions entering water bodies, causing long-term environmental pollution due to their persistence and bioaccumulation.	■	□	□	medium-term
E4						
Actual negative impact	Impacts relating to location and production	The construction and the operation of factories lead to soil sealing and thus to the loss of natural habitats. In addition, noise and light emissions can affect the surrounding ecosystems by disrupting animal behavior and endangering biodiversity.	□	■	□	short-term
Actual negative impact	Dependence on mining	ElringKlinger's upstream supply chain is heavily dependent on the extraction of mineral raw materials and thus on mining. This economic sector has a significant impact on biodiversity and ecosystems.	■	□	□	short-term

IRO	Designation	Description	Attribution of value chain			Time horizon
			Upstream	Own business	Downstream	Short-term (<1 y), medium-term (1–5 y), long-term (>5 y)
E5						
Actual negative impact	Use of primary and, in some cases, secondary or resource-optimized production materials	In the upstream supply chain, the use of primary materials currently has a more pronounced environmental impact (e.g., higher energy consumption, higher carbon emissions, greater impact on ecosystems) than the use of secondary materials.	■	□	□	short-term
Risk	Use of primary production materials and in some cases secondary or resource-optimized production materials	The limited availability of (critical) raw materials poses supply and price risks, particularly in the event of global shortages or monopolies.	■	■	□	short-term
Risk	Use of primary and, in some cases, secondary or resource-optimized production materials	The cost-effective use of secondary and recycled materials is limited at present, as these materials often incur higher costs. As a result, there is a risk that ElringKlinger will experience economic disadvantages or competitive disadvantages when switching materials as long as market and price structures have not yet been adjusted.	□	■	□	short-term
Opportunity	Use of primary and, in some cases, secondary or resource-optimized production materials	In the medium term, opportunities are likely to arise in the wake of market developments and changing customer requirements, particularly as a result of heightened demand for sustainable, recycled, or resource-conserving materials. This, in turn, provides the basis for ElringKlinger to achieve competitive advantages, for example through innovative materials, compliance with new regulatory requirements, or positioning itself as a sustainable partner along the value chain.	□	■	□	medium-term
Potential positive impact	Resource efficiency through product design	A product design based on the principles of the circular economy and resource efficiency helps to reduce the overall environmental impact in the long term, as materials can be used for an extended period of time, the use of primary raw materials can be scaled back, and less waste is generated.	□	■	□	medium-term
Opportunity	Resource efficiency through product design	The consistent application of circular design principles offers the opportunity to develop products that are innovative, commercially appealing, and sustainable. This allows the company to clearly differentiate itself within the market and tap into new customer groups that value resource-saving solutions.	□	■	□	medium-term
Actual positive impact	Recyclability of products and materials	Many of ElringKlinger's products and materials are easily recyclable, which has an actual positive impact on the environment, as the recycling of high-quality materials requires fewer primary raw materials, conserves resources, and closes material loops. Existing recycling structures and economic incentives are also conducive to the effective reuse of these materials at the end of their life cycle.	□	■	■	short-term
Actual negative impact	Recyclability of products and materials	The use of non-recyclable materials results in actual negative impacts downstream in the supply chain: these materials have to be incinerated or sent to landfill sites, thus impacting both people and ecosystems through GHG emissions and potential environmental risks. These adverse effects are further exacerbated by the long-term durability of certain materials.	□	■	■	short-term
Actual negative impact	Generation of waste through ElringKlinger's production activities	The generation of waste as a result of ElringKlinger's production activities has a detrimental effect on the environment, particularly as a result of downstream disposal and processing operations, which consume energy and potentially cause emissions.	■	■	■	short-term
Opportunity	Generation of waste through ElringKlinger's production activities	Consistent separation by type and established recycling provide the opportunity to unlock additional efficiency potential – for example, through higher recycling rates, additional material cycles, or long-term cost savings by returning valuable materials to the production process.	□	■	□	short-term

IRO	Designation	Description	Attribution of value chain			Time horizon
			Upstream	Own business	Down-stream	Short-term (<1 y), medium-term (1–5 y), long-term (>5 y)
S1						
Risk	HR adjustment measures	Actions to adjust capacity can affect employee motivation, confidence in the company, and its attractiveness as an employer. A lack of communication or inadequate support for affected employees can lead to a loss of reputation and higher staff turnover.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term
Opportunity	HR adjustment measures	The adjustment of capacities provides the basis for optimized staff costs and improved efficiency within the Group.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term
Risk	Skills shortage and dissatisfied employees	The risk of staffing bottlenecks, loss of knowledge, and reduced productivity is heightened by the ongoing shortage of skilled workers and the negative experiences of employees. Inadequate retention of existing employees can also have a negative impact on employer image, productivity, and competitiveness.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term
Actual positive impact	Occupational health and safety	The current plant-specific approach to occupational health and safety focuses primarily on preventing accidents at work and creating appropriate working conditions, particularly in view of climate change, which may lead to higher temperatures. The high standards of health and safety at work have a positive impact on the well-being and safety of employees.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term
Actual positive impact	Work-life balance	Flexible working time models, options for part-time work, and parental leave arrangements contribute significantly to an improved work-life balance and greater staff satisfaction.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term
Actual positive impact	Secure and transparent reporting system for compliance breaches	The “Share with us” whistleblower system allows employees of suppliers and business partners to report potential violations, discrimination, or forms of harassment securely, confidentially, and – if they wish – anonymously. This creates a protected space for the purpose of identifying unethical behavior at an early stage and initiating an appropriate review. The system is aimed at strengthening transparency, trust, and integrity within the company and helps to promote equal treatment and equal opportunities.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term
Actual positive impact	Learning and training culture to foster expertise and integrity	Regular compliance and specialist training courses, digital learning opportunities available worldwide, and training initiatives at the Dettingen, Runkel, and Bietigheim-Bissingen sites help to reinforce employees’ expertise, integrity, and professionalism. Specialized programs such as Workday Learning, management programs, and the Pioneers program also promote knowledge transfer and leadership skills.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term
Actual positive impact	Equality, diversity, and pay equity	The Equal Opportunities Officer and a sense of diversity that is embraced within the company contribute to an inclusive working environment that promotes equal opportunities and mutual respect.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	short-term

IRO	Designation	Description	Attribution of value chain			Time horizon
			Upstream	Own business	Downstream	Short-term (<1 y), medium-term (1–5 y), long-term (>5 y)
S2						
Actual positive impact	Transparency and compliance	ElringKlinger deploys a standardized form of supplier risk assessment and has defined clear requirements in its global Supplier Code of Conduct to promote compliance with ethical standards and enhance transparency in the upstream supply chain. Supporting occupational safety and health management systems, such as ISO 45001, also contributes to employee safety and well-being within the upstream supply chain. Targeted audits of direct suppliers increase transparency and reduce uncertainties in relation to legal, ethical, and reputational consequences.	■	□	□	short-term
Actual negative impact	Transparency and compliance	Failure to observe standards for working conditions, transparency, and compliance leads to human rights breaches such as unequal pay or inadequate occupational safety in the upstream supply chain. Insufficient information makes it more difficult to perform a reliable assessment of working conditions. A lack of controls, or inadequate controls, facilitate the continuation of these malpractices. Although targeted audits of direct suppliers help to increase transparency, there is still uncertainty in relation to legal, ethical, and reputational misconduct by indirect suppliers in particular.	■	□	■	short-term
Actual positive impact	Secure and transparent reporting system for compliance breaches	The “Share with us” reporting system enables employees of suppliers and business partners to report potential breaches, discrimination, or forms of harassment securely, confidentially, and, if they wish, anonymously. This creates a reliable and secure way to uncover unethical conduct in the upstream supply chain. Processing incoming reports in a structured manner strengthens transparency and integrity, and helps to uphold equal treatment and equal opportunities in business relationships.	■	□	■	short-term
Opportunity	Creating secure jobs	The implementation of a robust sustainability process not only consolidates ElringKlinger’s reputation and opens up new lines of business, it also contributes to the stability of the upstream supply chain. By transforming the product portfolio to include more climate-friendly technologies, ElringKlinger secures jobs for the long term – and for its suppliers too. ElringKlinger is therefore making significant progress toward fulfilling its responsibility to the environment and society, while supporting the Group’s competitiveness and reinforcing its viability for the future	■	□	□	short-term
G1						
Actual positive impact	Values-based corporate culture	The clear definition of corporate values and an innovation-based mindset have created a strong foundation for a positive corporate culture. This allows employees to develop a stronger sense of identification with the company, while a values-based management culture is promoted through Code of Conduct training and New Work initiatives. This strengthens trust, as well as personal and professional resilience, and contributes to a working environment that promotes motivation, identification with the company, and commitment. Regular town hall meetings also help to promote transparency, encourage open dialogue, and strengthen team spirit.	□	■	□	short-term
Opportunity	Values-based corporate culture	Employees’ increased identification with corporate values has created an opportunity to drive transformation in a manner that is stable and successful. The combination of values-based management, resilience-building, and transparent communication has provided the company with the opportunity to keep developing its culture, to enhance openness to change, and to remain an attractive employer in the long term.	□	■	□	short-term

IRO	Designation	Description	Attribution of value chain			Time horizon
			Upstream	Own business	Downstream	Short-term (<1 y), medium-term (1–5 y), long-term (>5 y)
Actual positive impact	Open corporate culture and suitable protection mechanisms for whistleblowers	The “Share with us” whistleblower protection system enables stakeholders to report compliance violations confidentially and anonymously. As a result, potential grievances are identified at an early stage and dealt with in accordance with applicable rules. The system helps to reinforce the integrity of the company’s processes and supports a transparent and responsible corporate culture.	■	■	■	short-term
Actual negative impact	Corruption and bribery	Throughout the global value chain, there is potential for negative impacts on people, society, and the environment – especially in the event of corruption, inappropriate behavior, or compliance failures. Such incidents can lead to unlawful actions, anti-competitive practices, and adverse impacts on suppliers, employees, and local communities.	■	■	■	short-term
Risk	Corruption and bribery	Against the backdrop of international business activities, complex corporate structures, and global supply chains, it is impossible to completely rule out potential corruption risks despite effective preventive measures having been put in place. Violations could have serious repercussions for the ElringKlinger Group, including reputational damage, financial losses, legal risks, and liability risks.	■	■	□	short-term

Impact, risk, and opportunity management

Description of the process to identify and assess material impacts, risks, and opportunities (IRO-1)

The procedure for identifying, assessing, prioritizing, and monitoring ElringKlinger’s potential and actual impacts on people and the environment as well as their financial materiality involves several steps.

Steps 1 to 3 were discussed in detail during workshops with company experts in the field.

Step 1: Determining possible relevant sustainability topics

The first step was to identify the potential and actual impacts of the undertaking on people and the environment (impact-related materiality) as well as the opportunities and risks arising from social and environmental aspects that affect the company (financial materiality). The process of determining these impacts, risks, and opportunities was based on the sustainability matters specified by ESRS, which are described in ESRS 1 AR 16. The initial focus was on determining the sustainability topics, including the respective sub-topics and – in accordance with the three-tier structure of ESRS – sub-subtopics for the individual Group locations. Company experts in their respective fields then assessed these topics in respect of their relevance. Subsequently, the topics were either subjected to a more in-depth assessment or disregarded in those cases in which their relevance was deemed insufficient. The negative and positive impacts were considered separately

by ElringKlinger. The process encompassed ElringKlinger’s entire value chain to ensure a full-scale analysis of all factors, regardless of whether they gave rise to positive or negative impacts.

Step 2: Integration of stakeholder interests

Various forms of workshops were held to facilitate the assessment of potentially affected stakeholders within a team of internal experts. Both upstream and downstream business processes were taken into account. At the same time, the Group’s own activities were examined in detail in order to cover all relevant aspects. The interests and opinions of external third parties, including affected local communities, were incorporated into the assessment processes by the experts. Thus, the Group ensured that the views and concerns of all relevant stakeholders were adequately taken into account.

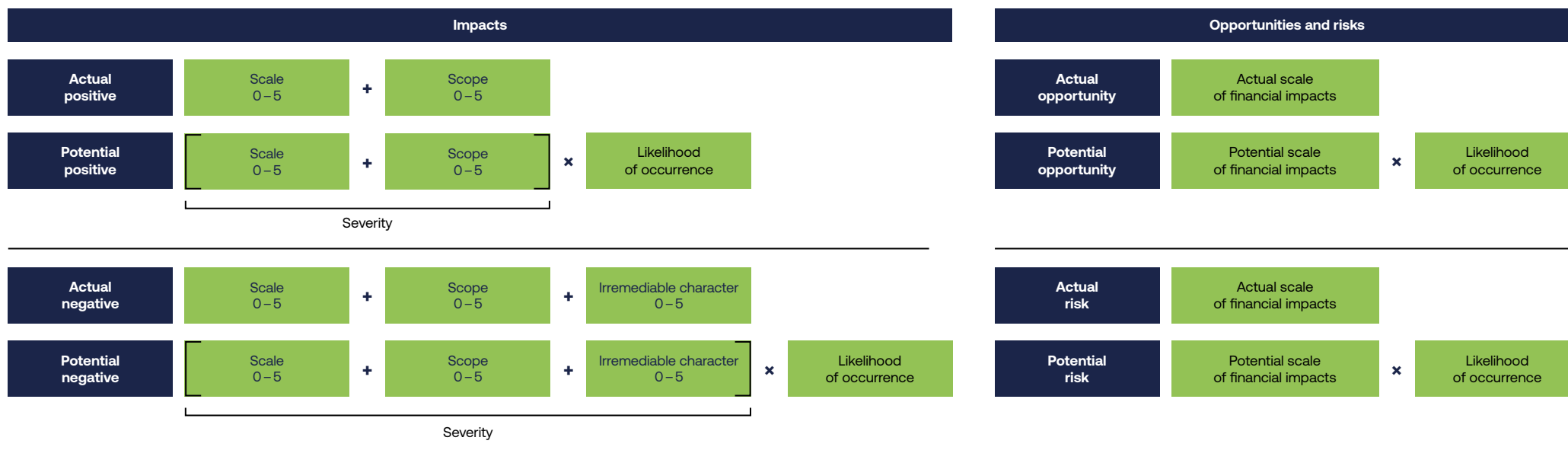
Step 3: Assessment of impacts, risks, and opportunities

The risks and opportunities identified as having a financial impact on the ElringKlinger Group are examined in detail below. This analysis included a separate assessment of the negative and positive impact on the undertaking’s activities. Engaging in direct dialogue with internal experts, the company was able to identify and review its dependencies on natural resources as well as social and economic conditions. The findings were incorporated into the analysis of risks and opportunities and taken into consideration in the assessment. In addition to being incorporated into the Group-wide risk management system, the material sustainability opportunities that have been identified by the company are included in action planning and are monitored accordingly.

ESRS 2 GOV-5 [\(link\)](#) sets out how short-, medium-, and long-term sustainability risks are incorporated into the overall context of ElringKlinger's risk management system.

This was followed by a qualitative assessment of the materiality of impacts, risks, and opportunities along ElringKlinger's value chain by internal experts. The criteria specified by ESRS – scale, scope, irremediable character of the impact, and likelihood – were applied as illustrated in the chart. In this context, ElringKlinger based its assessment on the so-called gross approach, which means that possible actions to mitigate the impacts were not taken into account in the assessment.

Assessment methodology



Step 4: Definition and determination of the materiality threshold

To determine impact-related materiality, impact-related values were determined on the basis of an assessment of the scale, scope and, in the case of actual and potential negative impacts, the irremediable character of the individual sustainability topics. The resulting severity was then multiplied by the likelihood of occurrence in the case of potential positive and negative impacts.

In the area of financial materiality, a topic was considered material if the threshold, which is calculated for potential opportunities and risks by multiplying the likelihood of occurrence by the amount of loss, i.e., harm, was exceeded.

A sustainability topic was considered material in respect of impact-related and financial materiality if at least one identified impact, one risk, or one opportunity of the respective sustainability topics exceeded this threshold. The calculation methodology conforms to the requirements of ESRS 1 paragraph 45, paragraph 46, and paragraph 51.

The limits of the thresholds are half of the maximum number of points to be achieved for actual and potential impacts and slightly below half for financial risks and opportunities.

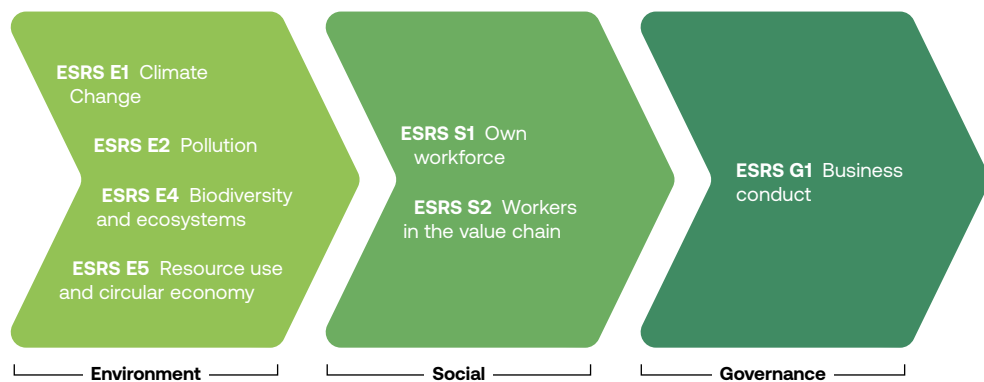
Step 5: Validation and release of the analysis results

Finally, the results were validated in respect of comparability, plausibility, and consistency and were subjected to a critical assessment by the corporate unit responsible for Corporate Sustainability. This was followed by approval by the CEO. Central Risk Management was involved in the project. The findings were thus incorporated into the general risk management process. The results of the financial materiality assessment provide an important basis for integrating sustainability risks into the existing risk pool.

While the procedure as a whole remained unchanged, the process of updating the double materiality assessment for the reporting period was more detailed in nature. In future, a review will be conducted annually; an update will be performed if necessary.

Both qualitative and quantitative input parameters were used to assess the impacts, risks, and opportunities. This includes internal data from risk, finance, and sustainability management as well as external sources, in particular regulatory requirements and industry benchmarks. The scope of the analysis covers all of the Group’s material business activities.

Topic-specific features in the identification and assessment of impacts, risks, and opportunities



Climate change (ESRS E1)

As part of its double materiality assessment, the ElringKlinger Group conducted a comprehensive review of its business activities with regard to actual and potential impacts and risks and opportunities in connection with climate change adaptation, climate change mitigation, and energy-related matters. Climate impact is recorded Group-wide on the basis of GHG emissions along the entire value chain in accordance with the Greenhouse Gas Protocol (GHG Protocol). Working on this basis, a detailed assessment of climate-related risks and scenarios was carried out, taking into account both physical risks such as extreme weather events and transition risks associated with the shift to a low-carbon economy.

Several scenarios from the Intergovernmental Panel on Climate Change (IPCC) were used in the context of the climate risk assessments (SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5). There are two different time horizons: a current climate period (2011–2030), which is used to assess short- to medium-term climatic developments; and a future climate period (2031–2050), which focuses on long-term climatic changes and their potential impact on ElringKlinger’s business model, strategic orientation, and resilience. The chosen intervals are methodologically aligned with the 20-year modeling periods employed by the IPCC, providing smoothing of short-term climate variability and ensuring statistical robustness. At the same time, the time horizons are based on the company’s current strategic and financial planning horizon (including capital allocation plans), as the existing SHAPE30 corporate strategy is designed to run until 2030. The time horizons also take into account key regulatory and strategic targets, such as the EU climate target for 2030 and the goal of climate neutrality by 2050.

The cross-location assessment was carried out on the basis of the SSP5-8.5 scenario, which, according to IPCC projections, represents the highest level of potential physical climate risks. This scenario, which is classified as extreme but scientifically plausible, was deliberately chosen in order to assess the robustness of ElringKlinger’s business model under challenging future climate conditions and to test its resilience to potential impacts. This scenario provides the basis for a conservative assessment of potential extreme risks by largely excluding political climate protection measures, for example, and concentrating on fossil energy generation. The findings offer guidance for less extreme climate scenarios and can be adapted accordingly, which is why the SSP2-4.5 scenario was also included in the assessment. In addition, SSP2-4.5 was taken into account as a medium-emissions pathway representing moderate climate change and serves as the reference scenario for likely developments. Among other things, a gradual phase-out of fossil energy production and a medium level of climate change mitigation efforts are taken into consideration in this context. Considering both SSP2-4.5 and SSP5-8.5 scenarios allows for a bandwidth perspective and increases the robustness of the risk assessment. The analyses are subject to limitations, above all due to uncertainties in the modeling of extreme events, the limited availability of local climate data for individual regions, and discrepancies between global climate models and local microclimates.

Climate-related hazards were identified using model-based climate data (CMIP/IPCC scenarios), an ERA5 reanalysis, and statistical downscaling. The result a location-specific, scenario- and time-horizon-related risk matrix covering 29 climate dimensions, with associated risk classes and uncertainty ranges. These provide information on the intensity and reliability of future climate-related impacts.

This scenario analysis was used to identify various potentially relevant physical climate hazards at Group locations. Among the acute climate hazards identified were storms, cyclones, hurricanes, typhoons, and land subsidence. Heat stress, changes in air temperature, water stress, and soil erosion were identified as chronic climate hazards. No material physical and chronic risks to the company's own business operations were identified. At present, there is no reliable information available on physical climate risks for the upstream and downstream areas of the supply chain.

Work is currently under way across the Group to integrate the results of the climate risk assessment into existing management systems. While initial processes and interfaces have been defined, efforts to implement a fully established and systematically effective model are still in progress.

The Group's greenhouse gas footprint serves as a central instrument for recording the impact of ElringKlinger's business activities with regard to climate change mitigation. It includes direct and indirect emissions along the value chain and allows conclusions to be drawn about material impact drivers. A detailed list of emissions can be found in section ESRS E1-6 ([link](#)).

ElringKlinger has identified potential climate-related transition risks and opportunities in the context of its transformation to a lower-emission economy. The company is guided by external developments in respect of regulation, the market, and technology as well as publicly available estimates of potential carbon price volatility. The assessment examines the areas of value creation in which ElringKlinger is particularly energy-intensive, instances of dependence on fossil fuels, and the regulatory requirements that affect the individual product lines and regions. Transition risks are identified by means of ongoing regulatory scans and market and technology analyses. ElringKlinger assesses their significance with regard to the business model on the basis of the product portfolio, energy consumption, and the sensitivity of the supply chain. ElringKlinger has no assets or business activities that are not compatible with the transition to a climate-neutral economy. The climate-related transition risks were assessed on the basis of the likelihood of occurrence, the potential extent of harm, i.e., damage, and the duration of the impact. A detailed presentation of the risks and opportunities identified has been included in the section covering ESRS E1 ([link](#)).

The climate-related risks are outlined in the "Report on opportunities and risks" section of the 2025 Annual Report. In accordance with the requirements of ESRS, this information relates to the climate scenarios applied by the company, which have already been disclosed in full in this section.

Pollution (ESRS E2)

As part of the materiality assessment, two material negative impacts and one material risk in connection with pollution were identified along the value chain. The specifics of the double materiality assessment, as described in ESRS 2 SBM-2 ([link](#)), are based both on the results of the stakeholder survey conducted in 2022 and on the expertise of ElringKlinger experts who are in regular contact with affected stakeholders.

As part of the double materiality assessment, ElringKlinger systematically reviewed its own sites and business activities to identify actual and potential impacts, risks, and opportunities related to environmental pollution, both within its own operations and along its upstream and downstream supply chain. The focus was particularly on aspects of air, water and soil pollution, the pollution of living organisms and food resources, the use of substances of (very high) concern and potential inputs of microplastics. This review – using a qualitative assessment approach focused primarily on types of activity, production materials and processes, and potential sources of emissions and discharges – was based on structured workshops with internal experts and involved applying a series of existing environmental management systems as well as standardized assessment criteria and thresholds for determining materiality.

As part of the materiality assessment in accordance with ESRS, ElringKlinger identified sectors of activity in which pollution is potentially material. Due to its diverse product portfolio, ElringKlinger manufactures a range of different products using a variety of manufacturing processes at almost all of its sites. This includes:

- Production sites with thermal processes that generate emissions through heat treatment, painting, or plastics processing
- Surface treatment processes using chemicals that may lead to soil or water pollution if handled improperly
- Use of substances of concern and substances of very high concern
- Waste management and wastewater treatment, especially at plants with high material throughput or complex production processes

No material impacts were identified with regard to the downstream supply chain. Here, relevant environmental matters arise to a lesser extent in connection with the use of products, but primarily in the context of their return and recycling. A comparable assessment was also conducted for the upstream supply chain on the basis of available supplier data.

No direct consultations with affected communities took place in the 2025 reporting year. However, the interests of external stakeholders were incorporated indirectly into the company's decision-making via input from experts in the field.

Biodiversity and ecosystems (ESRS E4)

For the purpose of assessing the material topics, ElringKlinger conducted a review of its business activities with regard to actual and potential impacts, risks, and opportunities in connection with biodiversity. As part of the assessment, direct causes of biodiversity loss, impacts on the status of species, impacts on the extent and condition of ecosystems, and impacts and dependencies on ecosystem services were considered. The focus was on the company's own locations. The Group used, among other tools, the biodiversity filter provided by the World Wide Fund for Nature (WWF) for a detailed investigation. The results were then evaluated together with experts from the corporate units Real Estate & Facility Management and Corporate Sustainability. Systemic risks such as potential raw material shortages (e.g., due to mining), water stress, climate change-related effects and new regulatory requirements such as the European Deforestation Regulation (EUDR) were also taken into account. Additional information on impacts on biodiversity and relevant protection and conservation measures has been included under ESRS E4 Biodiversity and ecosystems ([link](#)).

Resource use and circular economy (ESRS E5)

To assess the material topics, ElringKlinger reviewed its business activities and assets for actual and potential impacts, risks, and opportunities relating to resource inflows, including resource use and resource outflows, related to products, services, and waste. In this context, a central component of the assessment was the involvement of internal experts from the respective business units, who possess specific knowledge of resource use, material flows, and waste management as well as regulatory and market-specific developments, and who provided substantial support throughout the assessment process.

There were no direct consultations, particularly with affected communities, in the 2025 reporting year. The interests of external stakeholders were invariably incorporated indirectly into the company's decision-making via input from experts in the field.

Own workforce (ESRS S1), Workers in the value chain (ESRS S2)

In accordance with applicable ESRS, there are no topic-specific particularities for the social standards in the identification and assessment of impacts, risks, and opportunities.

Business conduct (ESRS G1)

The Group draws on various sources of information to identify the actual and potential impacts, risks, and opportunities with regard to corporate culture, protection of whistleblowers, animal welfare, management of relationships with suppliers, including payment practices, and corruption and bribery. These include findings from the Group-wide whistleblower system and from compliance training courses. In addition, the Governance department was involved in several workshops and provided assistance in identifying financial risks on the basis of the existing risk inventory and risk management.

Disclosure Requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)

In the context of sustainability reporting in accordance with CSRD, ElringKlinger drew up a structured overview of the relevant disclosure requirements. It is based on the results of the entity-specific materiality assessment in accordance with ESRS 1 Chapter 3 and has been incorporated into the sustainability report.

This overview covers all sector-agnostic and entity-specific requirements. For the purposes of clarity, the respective item of disclosure within the sustainability report is shown using paragraph numbers.

The ESRS index ([link](#)), which contains an overview of all disclosure requirements taken into account in the materiality assessment, can be found at the end of the sustainability report.

In addition, a further table at the end of the sustainability report ([link](#)) provides detailed information on which datapoints are based on additional EU legislation in accordance with ESRS 2 and topic-specific ESRS, where they are located in the report, and which were classified as not material in the course of the materiality assessment.

EU Taxonomy

The European Commission signed off its action plan for financing sustainable growth in 2018. To channel capital flows toward sustainable investments, criteria for measuring the economic sustainability of an investment needed to be defined. This action plan therefore included the introduction of an EU classification system for sustainable activities, which the Commission accomplished by means of the Taxonomy Regulation (2020/852) in 2020. These criteria are intended to prevent so-called “greenwashing².”

In the context of more far-reaching non-financial disclosure requirements, ElringKlinger provides details on the implementation of the EU Taxonomy Regulation, hereinafter referred to as “EU Taxonomy”. These disclosures are made in accordance with the Delegated Regulation (EU) 2021/2178 (so-called “Disclosure Delegated Act”). The Group is among those required to prepare a non-financial statement in accordance with Sections 289b et seqq. and 315b et seqq. of the German Commercial Code (Handelsgesetzbuch – HGB), meaning that it is obligated pursuant to Article 1 of the EU Taxonomy Regulation to comply with the requirements resulting therefrom.

Based on the Taxonomy Regulation currently in force, economic activities are assessed with regard to their contribution to six defined environmental objectives:

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

All ElringKlinger activities contribute exclusively to the first environmental objective “Climate change mitigation (CCM)”.

The EU has published screening criteria for sustainable economic activities with regard to all climate and environmental objectives. An economic activity is considered Taxonomy-aligned if it

meets the technical screening criteria set out in the Annexes to Delegated Regulations (EU) 2021/2139, (EU) 2022/1214, (EU) 2023/2485, and (EU) 2023/2486 and thus makes a material contribution to at least one environmental objective. At the same time, an economic activity must not significantly harm any of the other environmental objectives and must comply with the minimum social standards (minimum safeguards) set out in the Taxonomy Regulation, which in particular require the protection of human and labor rights. ElringKlinger applies the Delegated Regulation (EU) 2026/73 and makes use of simplifications contained therein as of the current financial year.

ElringKlinger conducts a systematic assessment of its economic activities to determine whether they fall under the EU Taxonomy (Taxonomy eligibility) and whether they meet the technical screening criteria and minimum social safeguards for environmentally sustainable activities (Taxonomy alignment). Implementation is handled by a joint project team consisting of representatives from Financial Reporting and Corporate Sustainability. All activities were recorded, allocated to the relevant Taxonomy activities, and subsequently checked with regard to alignment requirements as part of workshops involving the business units and the Quality unit. To this end, data was taken from Financial Accounting and validated centrally by Group Accounting. The turnover (i.e., sales revenue), Capex, and Opex KPIs were determined on this basis. A clear allocation of Taxonomy-eligible and Taxonomy-aligned turnover (i.e., sales revenue), capital expenditure, and operating expenditure to one economic activity each ensures that no double counting occurs.

The Group pools all its fuel cell technology activities in the company EKPO Fuel Cell Technologies (EKPO). Its product portfolio includes fuel cell systems that are used in various means of transport and contribute toward carbon-neutral mobility. The analyses undertaken within the Group have shown that the development and production of fuel cell systems can be directly allocated to the activity “Manufacture of equipment for the production and use of hydrogen (CCM 3.2)” under the EU Taxonomy; this activity is thus to be regarded as Taxonomy-eligible. Exceptions to this are individual components that may not be allocated to activity CCM 3.2. These relate to bipolar plates, which are taken into account within activity CCM 3.18 of the EU Taxonomy; this matter is discussed in more detail in the following sections. The CCM 3.2 activity also meets the criteria for a material contribution, as ElringKlinger only manufactures systems for the use of hydrogen. As

² Greenwashing describes efforts to present oneself as particularly environmentally aware and environmentally friendly by donating money to environmental projects, PR measures, and similar.

they are not used for the purpose of hydrogen production, the technical screening criteria of section 3.10 of Annex I of Delegated Regulation (EU) (2021) 2800 are not applicable. The minimum safeguards with regard to social issues and the DNSH criteria are also met. Thus, the activity is Taxonomy-aligned. Taxonomy alignment applies to the three KPIs of turnover (i.e., sales revenue), Capex, and Opex.

The Group's battery and fuel cell business has been brought together within the E-Mobility business unit. In the field of battery technology, ElringKlinger develops and manufactures battery components and systems, among other things, tailored to various requirements of automotive industry customers. These key technologies help to enable and promote emission-free road transport. The products are used in fully (100%) electrified passenger cars as well as in infrastructure applications, e.g., for fixed or mobile charging stations, energy storage systems, or also as grid stabilization technology. Based on ElringKlinger's analyses, the Group has concluded that the development and production of battery technology can be allocated to the activity "Manufacture of batteries (CCM 3.4)" in pursuit of the climate objective of "climate change mitigation (CCM)" and is thus to be regarded as Taxonomy-eligible. This activity also meets the criteria for a material contribution, as battery components, modules and complete battery systems are manufactured by ElringKlinger for installation in electric cars, thus resulting in significant GHG emission reductions relating to transportation. ElringKlinger also works in collaboration with a certified recycler to take back used batteries. Therefore, the criterion of material contribution is deemed to have been met. Furthermore, the minimum safeguards with regard to social issues and the DNSH criteria are met and the activity is Taxonomy-aligned. Taxonomy alignment applies to the three KPIs of turnover (i.e., sales revenue), Capex, and Opex.

As a technology Group focused on developing, manufacturing, and selling products and components for the vehicle industry, ElringKlinger falls within the scope of the EU Taxonomy in its Original Equipment segment. The activity "Manufacture of automotive and mobility components (CCM 3.18)" is taxonomy-eligible and taxonomy-aligned for ElringKlinger. In this context ElringKlinger produces components that are used in electrically powered vehicles of various categories, thereby making a contribution to the improvement of environmental performance. Among these are lightweight components that reduce energy consumption and shielding technology to prevent electromagnetic interference. Activity 3.18 also includes individual components relating to fuel cells, in particular the bipolar plates sold separately by the company. They can be considered material in respect of the positive environmental performance of fuel cell stacks. In the context of the Taxonomy eligibility assessment, ElringKlinger only considers components that are installed in purely electrically powered vehicles. The fact that the use of such components in both combustion and hybrid vehicles

has a positive effect on their environmental footprint (e.g., fuel consumption) is not taken into consideration. However, the Group pursues and promotes such usage in the context of its sustainability and corporate strategy. The criteria for a material contribution set out in activity 3.18, namely the manufacture of vehicle components that are integrated into e-vehicles of various vehicle categories and are essential to the provision and improvement of the environmental performance of the vehicles, are met. The minimum social safeguards and DNSH criteria are also met, as a result of which the activity is classified as Taxonomy-aligned. Taxonomy alignment applies to the three KPIs of turnover (i.e., sales revenue), Capex, and Opex.

For ElringKlinger, the activity "Transport by motorbikes, passenger cars, and light commercial vehicles" (CCM 6.5) is relevant to the extent that the Group provides certain employees with company cars under lease agreements. In terms of the EU Taxonomy, these vehicles fall under the category of use or rental via leasing structures. This activity makes a material contribution to climate change mitigation, as some of the assigned company vehicles fully comply with the technical screening criteria and thus demonstrably contribute to the reduction of GHG emissions. Vehicles that do not meet these requirements, by contrast, are classified as Taxonomy-eligible.

The activity "Renovation of existing buildings" (CCM 7.2) comprises construction and conversion measures as well as the preparation thereof. The investments reported by ElringKlinger fulfill the criteria of Taxonomy eligibility and are disclosed accordingly in the Capex KPI.

The activity "Installation, maintenance, and repair of renewable energy technologies" (CCM 7.6) covers the services provided on site for the installation, ongoing maintenance, and repair of corresponding systems. Taxonomy-eligible expenses were incurred by ElringKlinger in connection with this activity in the reporting year. The disclosed capital expenditure makes a material contribution to climate change mitigation, as it directly supports the installation and maintenance of renewable energy systems and thus demonstrably contributes to the reduction of GHG emissions. It meets the Taxonomy alignment criteria and is therefore included in the Capex KPI.

The activity “Acquisition and ownership of buildings” (CCM 7.7) includes both the purchase of real estate and the exercise of ownership, including the associated ongoing expenditure. Acquisition within the meaning of the EU Taxonomy also includes the lease of land and buildings. The capital expenditure disclosed by ElringKlinger in this context fulfills the criteria of Taxonomy eligibility and is taken into account accordingly in the Capex KPI.

Following the assessment of the technical screening criteria in respect of a material contribution to climate change mitigation (CCM), an alignment assessment for the above economic activities was conducted in order to ascertain that none of the other five environmental objectives are significantly harmed and that the provisions on minimum safeguards are met in full.

Location-based climate risk and vulnerability assessments were carried out with regard to the criteria for environmental objective 2 “Climate change adaptation (CCA)”. This included taking into account physical climate risks under recognized climate change scenarios (SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5), in particular on the basis of IPCC scenarios with high-emission pathways (especially SSP5-8.5). The identified risks were assessed in respect of their relevance to the respective activity. Where necessary, suitable actions to avoid or mitigate material risks were defined and incorporated into existing management processes.

According to the Delegated Act 1 Climate Change Mitigation, Annex 1, criteria must be met in respect of environmental objective 3 “Sustainable use and protection of water and marine resources (WTR)” for those activities that have an impact on existing water bodies through construction and operation. The potential impacts of the activities on water and marine resources were assessed on a location-related basis. In this context, the applicable national and European legal requirements and the specifications of the company-wide environmental management system in accordance with ISO 14001 formed the basis of the assessment. Compliance with these requirements is subject to regular reviews, including internal and external audits.

Environmental objective 4 “Transition to a circular economy (CE)” is met in particular by complying with relevant regulatory requirements. In addition, aspects such as durability, reparability, dismantlability, and reusability are taken into account for selected products and components in order to avoid negative impacts on resource use and waste generation.

To meet environmental objective 5 “Pollution prevention and control (PPC)”, ElringKlinger ensures that all relevant European and national regulations on the use and placing on the market of chemical substances are complied with by the company. The substances listed in Appendix C with regard to environmental objective 5 were assessed for the Taxonomy-eligible activities. As regards the Taxonomy-eligible activity “Manufacture of batteries (CCM 3.4)” and the activity “Manufacture of automotive and mobility components (CCM 3.18)”, an Essential Use Assessment was carried out in accordance with the recommendations of the European Chemical Industry Council (Cefic), in addition to a review of compliance with the limits stipulated in the REACH Regulation. In ElringKlinger’s view, the Essential Use criterion of Appendix C has been fulfilled, due also to the fact that use of such substances only occurs in very small quantities.

Potentially affected protected areas were identified in the context of environmental objective 6 “Protection and restoration of biodiversity and ecosystems (BIO)”, in particular Natura 2000 areas or other ecologically sensitive areas in the vicinity of the relevant sites. No significant negative impacts on biodiversity and ecosystems were identified at the level of the relevant economic activities. As part of the double materiality assessment conducted in accordance with Section 289c(3) and Section 315c(2) HGB, two material negative impacts were identified with regard to biodiversity that relate to the fundamental relevance of the topic for the undertaking, while the EU Taxonomy performs a rule-based assessment of the significant harm with regard to the relevant economic activities. Against this background, there is no inconsistency in terms of content. Systematic consideration of biodiversity-related requirements is supported by the comprehensive implementation and maintenance of an ISO 14001-certified environmental management system.

In addition, compliance with minimum safeguards in accordance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Core Labor Standards, and the International Bill of Human Rights was reviewed and documented at the level of Taxonomy-eligible activities with the aid of various corporate documents, policies, and voluntary commitments (e.g., code of conduct, compliance policies, supplier code of conduct). ElringKlinger communicates the minimum safeguards both within its own business units and vis-à-vis its business partners, including suppliers. In this context, the Group uses publicly accessible documents such as the supplier code of conduct. In addition, risk analyses as well as preventive and control measures are based on these requirements. The existing “Share with us” whistleblower system can be used for the purpose of submitting reports on potential violations relating to all topics. In the financial year under review, the assessment of the minimum safeguards

with regard to the issue of human rights in the supply chain was also underpinned by a structured, software-aided risk analysis. In summary, the assessment did not identify any violations of the criteria set out in Art. 18 of the EU Taxonomy Regulation and in the report on minimum safeguards of the Platform on Sustainable Finance.

Reporting is carried out in accordance with the requirements of the EU Taxonomy for the three KPIs of turnover (i.e., sales revenue), capital expenditure (Capex), and operating expenditure (Opex). These KPIs are determined on the basis of the requirements defined in the EU Taxonomy:

As regards the turnover (i.e., sales revenue) KPI, only sales revenue from Taxonomy-aligned activities is taken into account – this forms the numerator. Total Group turnover (i.e., sales revenue) in accordance with IAS 1.82(a), which forms the denominator, serves as the comparative figure. The Capex KPI shows which part of the annual capital expenditure on property, plant, and equipment, intangible assets, and right-of-use assets (in accordance with IAS 16, IAS 38, and IFRS 16) is considered Taxonomy-aligned under the EU Taxonomy. The total Capex amount incurred in the financial year, which forms the denominator, serves as the basis for comparison. Expenses for non-capitalized research and development costs, short-term and low-value leases, building renovation work, and maintenance and repair were taken into account for the Opex KPI. To determine the maintenance and repair costs, allocation was performed, in part, on the basis of revenue. The Taxonomy-aligned proportions form the numerator of the KPI. The total Opex amount incurred in the financial year, which forms the denominator, serves as the basis for comparison.

Consolidated sales revenue (2025: EUR 1,640.9 million) as well as capital expenditure (2025: EUR 224.8 million) can be reconciled with the consolidated financial statements. Further information on the KPIs can be found in the notes to the consolidated financial statements of the 2025 annual report under sales revenue (1), intangible assets (12), property, plant, and equipment (13) and leasing (32).

The proportion of Taxonomy-aligned turnover, i.e., revenue is 12.1%. The KPI is calculated from the ratio of net turnover, i.e., revenue, from Taxonomy-aligned economic activities of EUR 199.1 million to total net turnover, i.e., revenue, of EUR 1,640.9 million. The remaining 87.9% of net turnover, i.e., revenue, is attributable to Taxonomy-non-eligible economic activities.

The proportion of Taxonomy-aligned capital expenditure is 61.8%. The KPI is calculated from Taxonomy-aligned capital expenditure of EUR 139.0 million in relation to total capital expenditure of EUR 224.8 million. The Taxonomy-eligible capital expenditure activities account for 8.1%. The remaining 30.1% of capital expenditure is attributable to Taxonomy-non-eligible economic activities.

The proportion of Taxonomy-aligned operating expenditure is 23.1%. The KPI is calculated from Taxonomy-aligned operating expenditure of EUR 25.9 million in relation to total operating expenditure of EUR 112.2 million. The remaining 76.9% of operating expenditure is attributable to Taxonomy-non-eligible economic activities.

The turnover (i.e., revenue), Capex, and Opex KPIs disclosed in this report are calculated at Group level for each environmental objective and as an overall KPI spanning all environmental objectives, while avoiding double counting. The contributions to the respective environmental objectives are presented in the subsequent reporting templates.

The KPIs for the financial year are as follows:



Proportion of turnover (i.e., revenue), Capex, and Opex from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

2025

KPI	Breakdown by environmental objectives of Taxonomy aligned activities														
	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non material	Taxonomy aligned activities in previous financial year 2024	Proportion of Taxonomy aligned activities in previous financial year 2024
	EUR m	%	EUR m	%	%	%	%	%	%	%	%	%	%	EUR m	%
Turnover	1,641	12.13%	199	12.13%	12.13%						12.13%	0%	0%	144	8.00%
Capex	225	69.95%	139	61.83%	61.83%						61.55%	0.29%	0%	111	62.56%
Opex	112	23.06%	26	23.06%	23.06%						23.06%	0%	0%	35	30.09%

Proportion of turnover (i.e., revenue) from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Financial year 01.01.–31.12.2025

EUR k

Turnover 2025

Economic Activities	Code	2025			Environmental objective of Taxonomy aligned activities								(E where applicable)	(T where applicable)	Proportion of Taxonomy aligned in Taxonomy eligible
		Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover)	Taxonomy aligned KPI (monetary value of Turnover)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity			
		%	EUR k	%	%	%	%	%	%	%	%	%	%	%	
Manufacture of equipment for the production and use of hydrogen	CCM 3.2.	1.15%	18,947	1.15%	1.15%								E	100%	
Manufacture of batteries	CCM 3.4.	7.49%	122,858	7.49%	7.49%								E	100%	
Manufacture of automotive and mobility components	CCM 3.18.	3.49%	57,292	3.49%	3.49%								E	100%	
Sum of alignment per objective					12.13%										
Total KPI (Turnover)		12.13%	199,097	12.13%	12.13%							12.13%	0%	100%	

The Taxonomy-aligned turnover, i.e., revenue, of EUR 199.1 million in the reporting period consists exclusively of sales revenue from customers. Lease revenue or other sources of revenue were not included in the turnover, i.e., revenue, figure. The quantitative breakdown of the numerator thus also illustrates the key drivers of change in the turnover, i.e., revenue, KPI during the reporting period. There were no Taxonomy-aligned economic activities pursued for the undertaking's own internal consumption.

Taxonomy-aligned turnover, i.e., revenue, amounted to 12.1% in the 2025 financial year (2024: 8.0%). The year-on-year increase is attributable in particular to revenue growth in the E-Mobility business unit. The strong growth in revenue was driven in particular by a large-scale series production order placed by a global battery manufacturer as well as orders for cell contacting systems for the BMW New Class and for a premium car manufacturer. This trajectory is in tune

with the SHAPE30 transformation strategy, which is geared towards strong revenue growth in the E-Mobility segment, among other things. Further information on Group revenue can be found in the consolidated financial statements and the notes to the consolidated financial statements in the annual report of ElringKlinger AG.

Proportion of Capex from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Financial year 01.01.–31.12.2025

EUR k

Capex 2025

Economic Activities	Code	2025		Environmental objective of Taxonomy aligned activities									Proportion of Taxonomy aligned in Taxonomy eligible
		Taxonomy eligible KPI (Proportion of Taxonomy eligible Capex)	Taxonomy aligned KPI (monetary value of Capex)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Capex)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	
		%	EUR k	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of equipment for the production and use of hydrogen	CCM 3.2.	8.63%	19,398	8.63%	8.63%						E		100%
Manufacture of batteries	CCM 3.4.	50.80%	114,200	50.80%	50.80%						E		100%
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	0.85%	643	0.29%	0.29%							T	33.50%
Renovation of existing buildings	CCM 7.2.	2.42%	0	0%	0%							T	0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	0.07%	159	0.07%	0.07%						E		100%
Acquisition and ownership of buildings	CCM 7.7.	5.13%	0	0%	0%								0%
Manufacture of automotive and mobility components	CCM 3.18.	2.05%	4,616	2.05%	2.05%						E		100%
Sum of alignment per objective					61.83%								
Total KPI (Capex)		69.95%	139,016	61.83%	61.83%						61.55%	0.29%	88.39%

At 61.8%, Taxonomy-aligned Capex was at a similar level to the previous year (2024: 62.6%). In the 2025 financial year, the Group continued to direct its investment activities systematically toward future-facing technologies for sustainable mobility. The Group set up production lines at multiple international sites and also took occupancy of new buildings, notably for specific high-volume series production projects in the field of battery technology. The Group also invested in further automation and in modernizing production processes and raising their efficiency levels, including in its long-standing business units.

The numerator of the Capex KPI of over EUR 139 million is made up of additions to property, plant, and equipment in accordance with IAS 16, additions to intangible assets in accordance with IAS 38, and capitalized right-of-use assets in accordance with IFRS 16, insofar as these were related to Taxonomy-aligned economic activities at an aggregated level.

Additions in accordance with IAS 16 relate in particular to investments in plants for the production and use of hydrogen, the production of batteries, the manufacture of automotive and mobility components as well as measures aimed at renovating existing buildings and acquiring buildings, amounting to a total of EUR 76.3 million. Additions in accordance with IAS 38 mainly comprise capitalized development expenses in connection with Taxonomy-aligned business activities, particularly in the areas of battery and hydrogen technology as well as automotive and mobility components, and amount to EUR 7.6 million.

In addition, the numerator includes capitalized right-of-use assets in accordance with IFRS 16. Of this amount, EUR 55.1 million is attributable to Taxonomy-aligned right-of-use assets. The right-of-use assets are included insofar as they meet the requirements of the EU Taxonomy.

There were no investment properties in the reporting period.

Additions from business combinations were excluded from the KPI calculation and amount to EUR 0. Expenses incurred in relation to Taxonomy-aligned economic activities and capitalized in accordance with the aforementioned accounting standards are included in the numerator of the Capex KPI and incorporated into the additions disclosed in the report.

Proportion of Opex from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Financial year 01.01.–31.12.2025

EUR k

Opex 2025

Economic Activities	Code	2025		Environmental objective of Taxonomy aligned activities									(E where applicable)	(T where applicable)	Proportion of Taxonomy aligned in Taxonomy eligible
		Taxonomy eligible KPI (Proportion of Taxonomy eligible Opex)	Taxonomy aligned KPI (monetary value of Opex)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Opex)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity			
		%	EUR k	%	%	%	%	%	%	%	%	%	%	%	
Manufacture of equipment for the production and use of hydrogen	CCM 3.2.	3.99%	4,480	3.99%	3.99%								E	100%	
Manufacture of batteries	CCM 3.4.	15.97%	17,926	15.97%	15.97%								E	100%	
Manufacture of automotive and mobility components	CCM 3.18.	3.10%	3,478	3.10%	3.10%								E	100%	
Sum of alignment per objective					23.06%										
Total KPI (Opex)		23.06%	25,884	23.06%	23.06%								23.06%	0%	100%

Taxonomy-aligned Opex accounted for a share of 23.1% (2024: 30.1%). The decrease is attributable primarily to lower research and development costs relating to Taxonomy-aligned activities. By contrast, total research and development costs in the Group increased in the period under review.

In the reporting period, the numerator of the Opex KPI comprises Taxonomy-aligned research and development expenses as well as maintenance and repair expenses. Taxonomy-aligned research and development expenses amounted to EUR 23.6 million and are attributable to the manufacture

of systems for the production and use of hydrogen, the manufacture of batteries, and the manufacture of automotive and mobility components. In addition, Taxonomy-aligned expenses for maintenance and repairs amounting to EUR 2.3 million were recognized. Other Opex categories, in particular short-term lease expenses and other direct costs, were not included. The quantitative breakdown of the numerator thus illustrates the key elements of change in the Opex KPI during the reporting period.

Climate change

(ESRS E1)

Governance

Integration of sustainability-related performance into incentive schemes (GOV-3)

ElringKlinger’s Supervisory Board has established a climate target as one component of the Management Board’s remuneration. The pertinent disclosures can be found in the ESRS 2 GOV-3 section [\(link\)](#).

Strategy

Transition plan for climate change mitigation (E1-1)

At the time of writing, ElringKlinger already has a climate strategy. This strategy is currently being adapted to the goals of the Science Based Targets initiative (SBTi). A comprehensive transition plan in accordance with ESRS requirements has not yet been established. However, the development of such a plan is envisaged. Once ready, it will set out concrete measures, timelines, and key milestones in a structured and transparent manner that makes it possible to track progress towards climate targets.

Impacts, risks, and opportunities (SBM-3)

In terms of subtopics, the double materiality assessment conducted in the reporting year identified material positive and negative impacts as well as risks and opportunities in connection with climate change adaptation, climate change mitigation, and energy-related matters. These are presented in the following overview.

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Climate change adaptation				
<ul style="list-style-type: none"> Supply-chain decarbonization (Scope 1, 2 and 3) 				
<p>Actual negative impact</p> <p>Energy-intensive manufacturing processes result in high levels of gas and energy consumption, which leads to relevant GHG emissions in the undertaking’s own operations.</p> <p>Emissions are also produced in the upstream supply chain; these contribute to global warming and thus cause environmental pollution.</p>	■	■	□	short-term (<1 y)
<p>Risk</p> <p>The decarbonization of production processes – especially in the supply chain – carries the risk of increasing costs, e.g., through investments in new technologies or higher prices for climate-friendly materials.</p> <p>Price increases along the supply chain can affect profitability and margins and exert pressure on the undertaking to adapt.</p>	■	■	□	medium-term (1–5 y)
<p>Opportunity</p> <p>The active reduction of emissions and the transition to climate-neutral processes help to underpin the transformation of the industry; such measures also ensure that ElringKlinger can take an early lead in positioning itself within a future climate-neutral economy.</p> <p>Improvements in the Group’s climate performance strengthen its profile as a sustainable and responsible technology partner and can open up new market opportunities, especially with customers who demand low-emission supply chains.</p> <p>By remaining proactive, the company can gain competitive advantages over less sustainable market participants.</p>	□	■	■	short-term (<1 y)
Climate change mitigation				
<ul style="list-style-type: none"> Regulatory requirements in the area of sustainability 				
<p>Risk</p> <p>More extensive sustainability regulations lead to increased administrative effort.</p>	□	■	□	short-term (<1 y)
Climate change adaptation				
<ul style="list-style-type: none"> Innovation and product transformation 				
<p>Risk</p> <p>Transforming the Group’s product portfolio and production processes toward lower-emission or zero-emission technologies requires a high level of investment. This poses a specific risk of misinvestment if technologies, regulatory conditions, or market requirements do not evolve as anticipated.</p>	□	■	□	short-term (<1 y)
<p>Opportunity</p> <p>Measures to develop new climate-friendly products and to optimize internal processes and therefore boost efficiency open up financial opportunities for ElringKlinger. These actions help to strengthen competitiveness, tap into new market segments, and improve cost structures in the long term.</p>	□	■	□	short-term (<1 y)
Energy				
<ul style="list-style-type: none"> Energy costs and carbon pricing 				
<p>Risk</p> <p>Rising energy costs, particularly due to carbon pricing, add a further economic burden and exacerbate the risk from global competition.</p>	■	□	□	short-term (<1 y)

Resilience analysis (SBM-3)

In its double materiality assessment, ElringKlinger has identified only climate-related transition risks as material. These mainly arise due to regulatory, market-driven, and reputational changes in connection with the transition to a low-carbon economy.

The results of the climate risk assessment described in ESRS 2 IRO-1 ([link](#)) form the technical and methodological basis for the Group's resilience analysis. Therefore, the same time horizons apply to the resilience analysis as to the climate risk assessment described in ESRS 2 IRO-1 ([link](#)). This was developed step by step between 2023 and 2025 and consists of:

- location-specific climate risk analyses (2023–2025) based on global climate models (IPCC) and downscaled data (e.g., ERA5);
- a double materiality assessment (2024/2025);
- a process based on the above findings to identify adaptation measures along the value chain;
- a systematic assessment of risks and opportunities, with appropriate consideration for those risks and opportunities in the further development of strategy, business models, investments and action plans;
- an analysis of resilience in the upstream supply chain, based on a representative supplier base covering around 70% of purchasing volume (ESRS E1 paragraph 19(a), AR6).

The uncertainties identified in the resilience analysis with regard to potentially at-risk assets, locations, and business activities will be taken into account in the further development of the corporate strategy, in investment decisions, and in the design of ongoing and planned climate mitigation and adaptation measures. The results of the climate risk assessment will be incorporated, for example, into strategic priority-setting and the design of technical mitigation and adaptation measures.

The external scientific time horizons selected for assessing physical climate risks are based on IPCC climate projections and can be applied to internal planning and investment cycles by aligning them with the technical service life of Group facilities and with the Group's strategic planning horizons. Looking ahead, ElringKlinger will therefore be able to determine at which stages during their operational life existing or planned assets will experience relevant exposure to climate-related extreme events. Risks can then be assessed consistently in line with investment cycles.

The resilience analysis will be updated at regular intervals to take account of new scientific findings, site changes, and regulatory requirements.

The scenario analysis conducted in accordance with SSP5-8.5 shows that, if this scenario were to occur, 23 ElringKlinger Group sites worldwide would be exposed to heightened climate risks. Fundamentally, the climate dimensions of heat stress, changes in air temperature, and water stress pose the most severe climate risks across all locations. Nonetheless, the overall result of the resilience analysis shows that ElringKlinger has a fundamentally high level of resilience despite increasing climate-related risks:

- The most important physical risks have been identified on a site-specific basis and are mitigated through technical, structural, and organizational measures (e.g., insulation, air conditioning, flood protection, emergency plans, business continuity management, insurance).
- Transitional risks are addressed through the strategic prioritization of sustainable mobility solutions, the expansion of renewable energies, energy efficiency programs, and the transformation of ElringKlinger's product portfolio.
- The SHAPE30 strategy strengthens the Group's adaptive capacity, particularly with regard to decarbonization, innovation, and supply chain transparency.

For particularly high-risk locations, ElringKlinger would develop targeted measures to stabilize the business model and maintain the site's capacity to adapt over the long term.

In the medium to long term, ElringKlinger aims to develop suitable adaptation measures to ensure the continued resilience of its strategy into the future.

In addition, the analysis is based on the critical assumption that the transition to a low-carbon and resilient economy will bring about long-term changes in macroeconomic conditions, the energy system, and the use of technology. Global market structures – particularly in the automotive and supplier industries – are expected to shift markedly as a result of stricter regulation, rising carbon prices, and changing demand for low-emission products. For ElringKlinger, it is assumed that renewable energies will form an increasing proportion of the total energy mix at all relevant locations and that energy efficiency measures will reduce specific energy consumption. At the same time, it is assumed that new decarbonization technologies (e.g., the electrification of processes) will become more rapidly available and more economical, thereby influencing both production processes and the product portfolio.

Impact, risk, and opportunity management

Policies related to climate change mitigation and adaptation (E1-2)

For ElringKlinger, the transformation of its product portfolio is a key strategic process that will enable it, in collaboration with others, to actively shape the profound changes that lie ahead in the automotive industry while also making an effective contribution to climate change mitigation. The Group is positioning itself as an active driver of sustainable mobility, e.g., through its components for battery and fuel cell systems. This focus opens up new market opportunities in the high-growth sectors of the future, such as electromobility, hydrogen technologies, and lightweighting, and in doing so ensures that the Group will remain viable in the long term. By systematically adapting its portfolio, ElringKlinger is responding not only to the impacts of global climate change but also to evolving customer requirements and increasingly ambitious legal frameworks. At the same time, this strategic approach creates a strong foundation for sustainable growth in a changing market environment.

When it comes to demonstrating responsibility for mitigating climate change, ElringKlinger's commitment is clear – both through the transformation of its product portfolio and through measures to decarbonize its own production sites, such as the gradual switch to green electricity at all Group locations, continuous improvements in energy efficiency, and the step-by-step conversion of gas-powered processes in installations and heating systems to alternative, lower-emission technologies.

ElringKlinger is also strengthening its profile as a corporate leader on climate through its membership of the Baden-Württemberg Climate Alliance, which involves working systematically to reduce greenhouse gas emissions under a long-term mitigation agreement while benefiting from exchanges with a network of companies.

The purpose of the directives and policy documents described below is to systematically address the material impacts, risks, and opportunities associated with climate change. They include the management systems outlined in this report, the Central Policy on Climate Change Mitigation and Carbon Neutrality (currently being updated), the ElringKlinger Code of Conduct, and the Supplier Code of Conduct.

Management systems

ElringKlinger's business processes are underpinned by established management systems that comply with the international standards ISO 9001, IATF 16949, ISO 14001, ISO 45001, ISO 27001, and ISO 50001. These systems embed fundamental principles into the areas of quality, environmental management, information security, occupational health and safety, and energy efficiency, thereby creating a binding framework for efficient management and continuous improvements in performance at all relevant production sites. In the context of climate change, ISO 14001 certification underpins the company's quality and environmental policy. It serves as proof of a structured and standardized approach to environmental management. In addition, ISO 50001 certification attests to ElringKlinger's energy policy, which aims to systematically record, analyze, and continuously improve the Group's energy performance as a contribution to environmental protection and climate change mitigation. This improvement process is supported by regular on-site audits. Certifications are conducted at selected locations with a focus on production as well as research and development.

Responsibility for the Group-wide control and ongoing development of the management systems lies with the corporate Quality unit. This unit ensures that the systems are applied uniformly, regularly reviewed, and further improved across all sites. A structured monitoring process has been established and includes internal and external audits, a standardized reporting system, and regular management reviews. In this way, the effectiveness of ElringKlinger's management systems is continuously evaluated and refined using targeted methods.

Central Policy on Climate Change Mitigation and Carbon Neutrality

ElringKlinger's Central Policy on Climate Change Mitigation and Carbon Neutrality serves as a strategic management tool and a binding framework for all units within the Group. Essentially, it describes the systematic implementation of climate protection measures that contribute to the achievement of climate targets.

The Corporate Sustainability unit is responsible for implementing and refining this policy. The policy itself is currently undergoing a fundamental review and is being adapted to the climate targets adopted by the Management Board. A structured internal monitoring process ensures that progress is regularly assessed and documented. This includes the systematic collection of relevant sustainability data, the assessment of actions in terms of their effectiveness, and the incorporation of findings into strategic decision-making processes.

ElringKlinger Code of Conduct and Supplier Code of Conduct

ElringKlinger's Code of Conduct provides a binding framework for responsible and sustainable action within the Group. It defines fundamental principles for the efficient use of natural resources, the eco-friendly design of products and processes, and the continuous reduction of the company's environmental impact. These include, in particular, actions to reduce GHG emissions and avoid potentially harmful environmental impacts. In addition, the Code sets out clear requirements for the legally compliant, responsible, and conflict-free procurement of raw materials. It contains binding standards for transparency, integrity, and ethical conduct across the entire supply chain. For ElringKlinger, long-term business relationships depend crucially on a shared understanding of ethical and sustainable principles. For this reason, the Group expects its suppliers to comply with the standards set out in the Supplier Code of Conduct. It sets out its expectations in relation to human rights, fair working conditions, environmental issues, and the prevention of corruption. The Supplier Code of Conduct was first rolled out across the Group in 2023. Since then, acceptance levels among suppliers have been growing steadily as more and more suppliers are gradually included in the process.

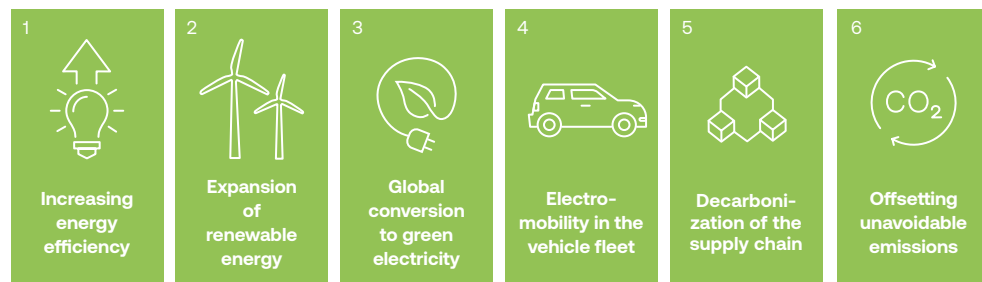
The Management Board is responsible for compliance with and the ongoing refinement of the codes. Responsibility for monitoring lies with the Compliance department, which has established a structured process for this purpose. This involves conducting systematic risk reviews, applying internal control mechanisms to assess compliance, and preparing regular reports for management. In addition, a Group-wide whistleblower system has been implemented that offers employees and external stakeholders the opportunity to report breaches of the codes confidentially. The information received is reviewed by the Compliance department and, if necessary, appropriate action is taken to ensure the integrity and effectiveness of the codes.

Actions and resources in relation to climate change policies (E1-3)

ElringKlinger has initiated numerous actions to address the identified material impacts, risks, and opportunities related to climate change. The actions described below apply across all locations and are being implemented consistently worldwide. As such, there is no need for geographical differentiation in the report.

ElringKlinger began developing products for electromobility over two decades ago. The Group's track record as a series producer of battery technology components covers a period stretching back to 2011, and it now develops complete battery systems based on various cell formats – for both low-voltage and high-voltage applications. The Group has also been active in the fuel cell technology sector for around 20 years. ElringKlinger's subsidiary EKPO Fuel Cell Technologies is already in a position to mass-produce high-performance fuel cell stacks and components for use in commercial vehicles, buses, trains, ships, and electrolyzers. The R&D ratio is one of ElringKlinger's key indicators, reflecting a commitment to systematically expand the Group's technological competitiveness and transform its product portfolio in the direction of sustainable mobility solutions. This demonstrates the Group's strategic ambition to develop innovations at an early stage and bring them to series production. At 5.5% of total Group revenue in 2025, the R&D ratio once again underscores ElringKlinger's strength in innovation. This is the result of continuous investment in Group-wide development activities, particularly in the areas of electromobility, fuel cell technology, and lightweighting. As a further demonstration of ElringKlinger's capacity for innovation, it filed around 120 new patent applications in 2025. The metric is calculated as the ratio of R&D costs recognized in accordance with internal financial reporting, including capitalized development costs, to Group revenue. The calculation is based on the assumption that the reported R&D costs are a suitable measure of innovation and transformation performance; the metric is not validated by an external party. Looking ahead at the fiscal year 2026, the Group is targeting an R&D ratio of between 3% and 5% of consolidated revenue. This is intended to maintain a high level of innovation going forward and therefore support the transformation of the product portfolio while also further strengthening the company's position as a component and system supplier for sustainable mobility in a dynamically growing market.

At the same time, it is not only crucial for ElringKlinger to develop products for emission-free mobility but also to ensure that the manufacturing process along the entire value chain is sustainable and climate-friendly. To this end, the Group plans to concentrate on the following decarbonization levers, which are being implemented globally in order to achieve its targets by 2033:



1. Increasing energy efficiency

The task of continuously increasing energy efficiency is a key objective of the current sustainability strategy. The actions set out in the strategy include ongoing building maintenance and targeted process optimizations, such as heat recovery and the prevention of leaks in compressed air systems. The Group also relies on modern software solutions that identify and reveal potential savings with the help of smart meter infrastructure. In addition, ElringKlinger invests continuously in the optimization of existing infrastructures and in the procurement of new energy-efficient assets. Around 1% of the Group's annual investment volume in property, plant and equipment is channeled specifically into measures aimed at raising efficiency levels, with a focus on projects leading to substantial carbon reductions and energy savings. In 2025, the Group invested a large part of this total in building renovation measures, more efficient air compressors, and smart shading systems. The emission and energy savings that can be achieved through these actions cannot be quantified due to the large number of individual measures. Further building renovation measures are planned for 2026.

2. Expansion of renewable energy

ElringKlinger has installed renewable energy systems at several company locations. In order to make optimum use of existing potential, a systematic assessment is carried out prior to the introduction of new installations to determine the extent to which they are technically and economically feasible. ElringKlinger uses both wind and solar power solutions to produce climate-friendly energy on site and to reduce its dependence on external generation. No new projects were implemented in the reporting year 2025. Expansions to existing capacities and the possible addition of further installations are currently being examined for 2026.

3. Global conversion to green electricity

The switch to electricity from renewable sources is making a significant contribution to ElringKlinger's annual Scope 2 target attainment. Since 2025, all plants within the European Union have been operating entirely on green electricity. At the same time, the Group is working hard to gradually convert all electricity supply contracts worldwide to renewable forms of energy. These actions are making a significant contribution to reducing Scope 2 emissions and achieving the company-wide climate targets. In 2025, the Group converted most of a plant in China to green electricity. This resulted in savings of 7,928 tCO₂. Plans have been drawn up to convert the rest of the plant to green electricity in 2026.

4. Electromobility in the vehicle fleet

As part of a staged process to mitigate its business travel emissions, ElringKlinger is working towards the electrification of its vehicle fleet. EVs are available in all relevant vehicle classes. In 2025, around 20% of fleet vehicles were fully electric, while around 80% had either a hybrid or conventional drive. Thanks to site-wide charging infrastructure, employees can recharge their vehicles with green electricity during working hours, thus supporting the objective of low-emission mobility. The Group's fleet policy was updated in 2023 to facilitate access to EVs and promote a voluntary, needs-based transition for employees. As such, the proportion of EVs in the Group's fleet is expected to show a further increase in 2026.

5. Decarbonization of the supply chain

Reducing upstream emissions within the supply chain is an important component of ElringKlinger's climate strategy. The Group is particularly focused on Scope 3.1 (Purchased goods and services), as this category accounts for a significant proportion of its total Scope 3 emissions.

ElringKlinger is pursuing a systematic, multi-stage approach to decarbonizing its supply chain that involves:

- integrating climate criteria into supplier evaluations
- increasing transparency and intensifying data collection
- promoting alternative options for low-carbon procurement
- internal control and tracking.

6. Offsetting unavoidable emissions

To achieve carbon neutrality in Europe, ElringKlinger offsets any unavoidable residual emissions by supporting qualified climate mitigation measures outside its own value chain.

Taken as a whole, the decarbonization levers outlined here support the achievement of the Group-wide climate targets. Given the large number of decentralized measures at individual sites, the wide range of technical starting points, and dynamically changing production volumes, it is not currently possible to reliably quantify the impact of individual levers in terms of reduced emissions. Accordingly, the contribution made by all these measures towards reducing the Group's Scope 1, Scope 2, and Scope 3 emissions and achieving its targets is monitored at an aggregate level.

ElringKlinger does not currently disclose any information on the type of resources used (Capex, Opex) or on current or future financial and other resources, as no specific resources have yet been allocated to individual actions. Accordingly, there is currently no allocation to relevant notes in the consolidated financial statements.

Metrics and targets

Targets related to climate change mitigation and adaptation (E1-4)

In line with the SHAPE30 strategy, the Group has set itself a clear target for product transformation. ElringKlinger aims to generate more than 50% of Group revenue with products beyond the combustion engine by as early as 2030. The innovation and transformation input required to achieve this will be supported by continuous investment in research and development. This level of ambition is reflected in the Group-wide R&D ratio (see ESRS E1-3), which is specifically geared toward sustainable, low-emission technologies.

In addition to transforming its product portfolio, ElringKlinger is also addressing its own production processes as a key lever for decarbonisation. The Group is pursuing the goal of achieving carbon neutrality in Scope 1 and Scope 2 by 2030. From this point onwards, all unavoidable emissions are to be offset outside the company's own value chain through the use of suitable emission certificates. In this way, ElringKlinger is combining technological innovation with a consistent reduction in operational emission intensity.

With regard to emissions in the value chain, in 2025 ElringKlinger's Management Board adopted new science-based climate targets for Scope 1, Scope 2, and Scope 3 in line with SBTi requirements. Targets were identified in accordance with SBTi guidelines on the basis of a decarbonization pathway for Scope 1 and Scope 2 that is compatible with the 1.5°C target of the Paris Agreement and a pathway for Scope 3 that is compatible with the 2.0°C target. The reference climate and energy policy scenarios used by the SBTi were incorporated into the target-setting process. The Paris Climate Agreement served as the overarching reference framework. The underlying climate strategy is aligned with the GHG Protocol and assigns targeted greenhouse gas reductions for each emissions category along the value chain.

Fiscal 2023 was set as the base year and 2033 as the target year for the Group's short-term reduction targets. 2023 was chosen because it was the first year in which consistent and traceable GHG emission records were available for each scope in line with the GHG Protocol. Comparisons with previous years offer a more limited picture due to subsequent changes in methodology and in the volume of data collected, particularly in Scope 3.

Targets were defined on the basis of qualitative criteria, with due regard for expected future developments within the Group, e.g., changes in sales volumes, shifts in customer preferences and in demand for low-emission products, regulatory conditions, and technological developments. As well as influencing the absolute figure for GHG emissions, these factors can generate opportunities for additional reductions, e.g., through efficiency gains, product portfolio transformations, or the use of new technologies. Possible future changes were not integrated quantitatively into the process of calculating targets but were taken into account when determining the Group's strategic direction and in its choice of an ambitious reduction pathway that is sustainable over the long term.

The climate targets are a core element of the Policy on Climate Change Mitigation and Carbon Neutrality, which is currently being adapted to the new SBTi targets. The climate targets have not yet been externally reviewed or validated.

For Scope 1 and Scope 2 emissions, ElringKlinger has committed to reducing absolute greenhouse gas emissions by at least 54.5% by 2033 (base year 2023). In addition, the Group has defined reduction targets for the Scope 3 emissions in the key categories 3.1 (purchased goods and services – direct materials) and 3.4 (upstream transport and distribution). In the base year 2023, these two categories accounted for approximately 74% of total Scope 3 emissions, corresponding to emissions of 615,142 tCO₂. For this volume of emissions, ElringKlinger aims to achieve a reduction of 32.5% by 2033. The targets were set in accordance with the requirements of the Science Based Targets initiative (SBTi) (near-term targets).

The achievement of these targets is based on the strategic decarbonization measures being implemented across the Group (see ESRS E1-3). Meeting the targets is crucial if the Group is to successfully transition to a predominantly low-emissions business model and meet its science-based climate targets.

SBTi target-setting as part of ElringKlinger's Climate Mitigation Strategy 2033, combined target for Scope 1 and Scope 2

Emissions category	Base year 2023 ^{1,2}	Reporting year 2025	Reduction target 2033/2023
in tCO ₂			
Gross Scope 1 GHG emissions	18,810	20,374	
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0	0	-54.5% on Scope 1 and market-based Scope 2 emissions
Gross location-based Scope 2 GHG emissions	62,061	54,723	
Gross market-based Scope 2 GHG emissions	38,991	17,986	
Scope 3 GHG gross emissions from categories 3.1 Purchased goods (direct materials only) and 3.4 Upstream transport and distribution	615,142	516,859	-32.5%
GHG emissions, total (location-based)	908,422	869,356	–
GHG emissions, total (market-based)	885,352	832,619	–

¹ Adjusted for the companies in Buford (USA) and Sevelen (Switzerland) divested in 2024; data only includes the vehicle fleet of the German Group locations.

² The base year was not subject to a separate limited assurance engagement.

In Scope 1 and Scope 2, ElringKlinger is aiming for an annual emissions reduction of 5.5% compared with the base year 2023 (3,150 tCO₂ per year). In Scope 1 and Scope 2, this corresponds to a reduction of 31,501 tCO₂ by 2033. ElringKlinger expects to reduce the material Scope 3 categories 3.1 (purchased goods and services) and 3.4 (upstream transportation and distribution) by 32.5% by 2033, corresponding to an annual reduction of 3.25% relative to the 2023 base year. The focus will be on the decarbonization of direct materials in Scope 3.1, as this category has been identified as having the greatest reduction potential.

Alongside internal actions aimed at reducing emissions, ElringKlinger provides targeted support for climate change mitigation projects beyond its own value chain – so-called beyond-value-chain mitigation measures – in order to offset its remaining but unavoidable Scope 1 emissions within Europe.

By the end of 2025, ElringKlinger had succeeded in decarbonizing its Scope 1 and Scope 2 emissions faster than originally planned under the 2023 strategy. As such, its strategic climate targets in these scopes were met in full. In Scope 3, the broken-down annual targets were also achieved.

The target definitions described in this chapter take into account relevant stakeholder expectations and the results of the double materiality assessment.

Energy consumption and mix (E1-5)

Energy metrics are recorded across the Group on the basis of primary data. This includes invoices from energy suppliers, statements from landlords, and meter readings. All recorded data is consolidated and documented in a central database to ensure that ElringKlinger has a uniform, traceable, and audit-proof body of data for energy management and reporting purposes.

Energy consumption and mix	Unit	2025
Fuel consumption from coal and coal products	MWh	–
Fuel consumption from crude oil and petroleum products	MWh	13,135
Fuel consumption from natural gas	MWh	80,512
Fuel consumption from other fossil sources	MWh	–
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	37,701
Total fossil energy consumption	MWh	131,348
Share of fossil sources in total energy consumption	%	52.6%
Consumption from nuclear sources	MWh	3,702
Share of consumption from nuclear sources in total energy consumption	%	1.5%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	MWh	–
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	110,350
Consumption of self-generated non-fuel renewable energy	MWh	4,304
Total renewable energy consumption	MWh	114,654
Share of renewable sources in total energy consumption	%	45.9%
Total energy consumption	MWh	249,704

Energy intensity per net revenue	Unit	2025
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/EUR k	0.15

In accordance with NACE code 29.3, the ElringKlinger Group falls under the high climate impact Section C “Manufacture of goods” since all its activities are directly or indirectly attributable to the manufacture of parts and accessories for motor vehicles. Energy intensity is calculated using both the Group’s total energy consumption and the figure for sales revenue from the consolidated income statement in the 2025 Annual Report.

In the reporting year 2025, ElringKlinger consumed a total of 4,304 MWh of renewable energy from its own photovoltaic systems and a wind turbine at its sites in Redcar (UK), Suzhou (China), and Changchun (China).

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

As described in ESRS 1-4, the Group determines its greenhouse gas emissions on the basis of the internationally recognized GHG Protocol. The GHG Protocol distinguishes between three areas of greenhouse gas emissions, known as scopes. ElringKlinger’s reporting includes direct emissions from the Group’s own sources (Scope 1), indirect emissions from the generation of purchased energy (Scope 2), and other indirect emissions along the upstream and downstream value chain (Scope 3). A total of nine relevant Scope 3 categories are included in the report, while six other categories were not included due to the low degree of materiality. Emissions in category 3.8 (Upstream leased assets) are currently included in Scope 1 and 2 and are therefore not listed again under Scope 3. ElringKlinger has no direct influence on emissions in category 3.10 (Processing of sold products) as the products are used in a variety of downstream processes, each with different emission profiles. Given the diverse nature of these end uses, the resulting emissions cannot be reliably quantified. ElringKlinger applies the reporting option for indirect emissions in category 3.11 (Use of sold products). Emissions in category 3.13 (Downstream leased assets) are not included due to their negligible contribution to total emissions. Category 3.14 (Franchises) does not apply due to ElringKlinger’s business model. Category 3.15 (Investments) is also excluded as the non-controlling holdings in question have no significant impact on total emissions.

In accordance with CSRD requirements, the principle of financial control was chosen as the basis for consolidation. There are no associates or joint ventures over which ElringKlinger exercises operational control and which would therefore have to be included in the statement of consolidated emissions.

Procedure for determining emissions

Energy data is collected annually in order to calculate the Group's Scope 1, Scope 2, and Scope 3 emissions for its sustainability report. Emissions are calculated in accordance with the GHG Protocol's guidelines. ElringKlinger uses primary data to determine its Scope 1 and Scope 2 emissions. These calculations are based on site-specific consumption data. For Scope 1, ElringKlinger applies the emission factors of the German Federal Environment Agency, while for Scope 2 it uses the emission factors of the respective local energy network operators in accordance with the market-based method. Scope 3 emissions are mostly calculated using the spend-based method in line with the GHG Protocol. The Group strives to continuously increase the proportion of primary data used in its Scope 3 reporting. In some categories, it was able to refine the calculations using available activity data (including quantities and volumes). To calculate its Scope 3.1 emissions, ElringKlinger uses a hybrid approach that incorporates both CO₂ figures at product group level and supplier-specific, spend-based emission factors. In line with the GHG Protocol guidelines, any methodological changes due to improved data quality are applied retroactively to the base year. In this way, ElringKlinger measures its annual progress. If necessary, adjustments are made, for example by intensifying the corresponding actions. To identify which actions are required for the company to achieve its targets, the corporate Sustainability Management and Purchasing units jointly analyze the trajectory of the Group's relevant emissions.

In accordance with ESRS 2, ElringKlinger used a variety of data and estimates to calculate emissions from the upstream value chain (Scope 3). As provided for in the GHG Protocol, a mix of supplier-based, hybrid, average-data, and spend-based methods were used to determine Scope 3 emissions. In most cases, the Group applied current emission factors from Ecoinvent and Climatiq. In cases where the available data was insufficient, the report also draws selectively on emission factors from scientifically verified studies and other sources. Multi-product processes are sometimes grouped together according to physical or economic criteria. "Allocation, cut-off by classification" was chosen as the system model. By-products from waste treatment processes are cut off, as are all by-products classified as recyclable. For categories 3.5 (Waste generated in operations) and 3.12 (End-of-life treatment of sold products) in particular, double counting of emissions is avoided by ensuring that emissions from the recycling process are shared between the disposer and the

user of the recycled material. The emissions recorded include disposal and preparation for recycling. Emissions from the recycling process itself (e.g., the remelting of scrap metal) are attributed to the company that uses the recycled material (reported as category 3.1).

If a material's country of origin is known, a dataset with that country code is used. For all other data, the Rest of Europe (RER) or Global (GLO) dataset is selected. The report uses the 100-year Global Warming Potential characterization factors (GWP 100a) defined by the Intergovernmental Panel on Climate Change (IPCC) in its Sixth Assessment Report (AR 6). This means that the IPCC 2021 method is used with the GWP 100a indicator to select the emission factor. By applying these secondary factors, ElringKlinger is able to make a close estimate of its Scope 3 emissions. The accuracy of the results will increase as the proportion of primary data rises. For this reason, the aim is to steadily increase the proportion of primary data in the coming years.

The following table shows ElringKlinger's emissions broken down into Scope 1, Scope 2, and Scope 3. All companies in the Group are fully consolidated.

Greenhouse gas emissions (GHG emissions)

SBTi target-setting as part of EiringKlinger's Climate Mitigation Strategy 2033, combined target for Scope 1 and Scope 2

in tCO₂

Emissions category	Retrospective			Change	Milestone	Target year 2033	Reduction
	Base year 2023 ¹	2024 ⁵	Reporting year 2025	2025/2024	2025		2033/2023
Scope 1							
Gross Scope 1 GHG emissions	18,810	–	20,374	–	–	–	–
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0.0	–	0.0	–	–	–	–
Scope 2							
Gross location-based Scope 2 GHG emissions	62,061	–	54,723	–	–	–	–
Gross market-based Scope 2 GHG emissions ¹	38,991	–	17,986	–	–	–	–
Target-relevant Scope 1 and Scope 2 emissions							
Total Scope 1 emissions	18,810	–	20,374	–	–	–	–
Total market-related Scope 2 gross GHG emissions ¹	38,991	–	17,986	–	–	–	–
Total target-relevant Scope 1 and Scope 2 emissions	57,800	–	38,361	–	–	26,300	-54.5%
Scope 3							
3.1 Purchased goods and services	662,370 ²	–	579,270	–	–	–	–
3.2 Capital goods	26,983	–	78,948	–	–	–	–
3.3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	25,364 ²	–	20,641	–	–	–	–
3.4 Upstream transportation and distribution	35,511 ²	–	29,893	–	–	–	–
3.5 Waste generated in operations	7,923 ³	–	8,501	–	–	–	–
3.6 Business travel	2,778	–	3,796	–	–	–	–
3.7 Employee commuting	20,059 ⁴	–	19,445	–	–	–	–
3.9 Downstream transportation and distribution	9,420 ²	–	10,887	–	–	–	–
3.12 End-of-life treatment of sold products	37,143 ²	–	42,877	–	–	–	–
Gross Scope 3 GHG emissions	827,552	–	794,259	–	–	–	–
Target-relevant Scope 3 emissions							
Scope 3.1 Purchased goods and services (direct materials only)	579,630	–	486,966	–	–	–	–
Scope 3.4 Upstream transport and distribution	35,511	–	29,893	–	–	–	–
Total target-relevant Scope 3 emissions	615,142	–	516,859	–	–	415,221	-32.5%
GHG emissions, total (location-based)	908,422	–	869,356	–	–	–	–
GHG emissions, total (market-based)	885,352	–	832,619	–	–	–	–

¹ The base year was not subject to a separate limited assurance review. It was also adjusted to exclude the companies in Buford (USA) and Sevelen (Switzerland) that were sold in 2024; only the vehicle fleet at the German Group locations was taken into account.

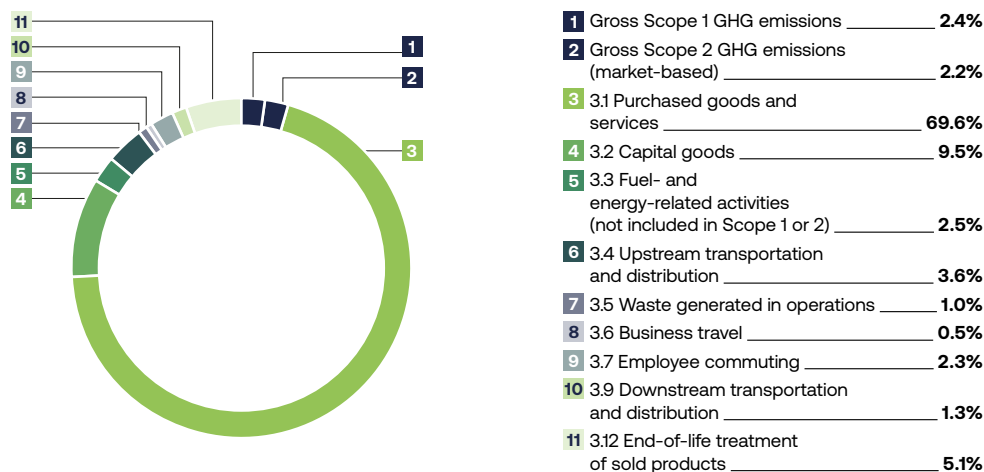
² Rebalancing in the course of the balance sheet for 2025 due to a change in methodology.

³ Correction in the course of the balance sheet for 2025 due to overbalancing.

⁴ Correction in the course of the balance sheet for 2025 due to underbalancing.

⁵ Comparative figures for the previous year are not reported in the first reporting year in accordance with ESRS.

Scope 1, Scope 2, and Scope 3 emissions



The total CO₂ emissions of the parent company ElringKlinger AG in 2025 amounted to 353,509 metric tons in accordance with the market-based method. These comprised 9,791 metric tons of direct CO₂ emissions, including from gas and heating oil, and the direct CO₂ emissions of ElringKlinger AG’s vehicle fleet, which amounted to 385 metric tons in 2025. Scope 3 emissions came to 343,333 metric tons of CO₂.

ElringKlinger determines greenhouse gas intensity using the location- and market-based methods. Total Scope 1, 2, and 3 emissions are shown as a percentage of Group revenue. The figures for Group revenue are based on the Group Income Statement in the 2025 Annual Report.

In 2025, the greenhouse gas intensity within the ElringKlinger Group was 0.53 tCO₂/EUR k in location-based terms and 0.51 tCO₂/EUR k in market-based terms. The green electricity purchased by ElringKlinger at its sites is bundled to an extent of 82.7%. This means that guarantees of origin are purchased together with the physical supply of electricity. For 17.3% of green electricity, the physical supply of electricity is separate from the purchase of guarantees of origin. All figures were calculated on the basis of supplier data, invoices, and contracts.

In terms of the company’s development, there have been only a few structural changes over the years compared to the base year 2023. The companies in Buford (USA) and Sevelen (Switzerland), which were sold in 2024, were adjusted in the base year.

Specific information on the determination of Scope 1, Scope 2, and Scope 3 emissions

Scope 1 emissions include the combustion of fuels relating to stationary and mobile processes. The calculation is performed by multiplying the fuel-specific consumption data by the corresponding emission factors taken from the information sheet “CO₂ Factors” (Version 3.3) of the Federal Office for Economic Affairs and Export Control (BAFA). ElringKlinger does not produce any biogenic carbon emissions, as the production process does not involve any biogenic fuels that would produce biogenic emissions on combustion or decomposition. Furthermore, the Group does not generate any greenhouse gas emissions from EU ETS installations or non-EU ETS installations. EU ETS installations are stationary industrial installations covered by the EU Emissions Trading System.

Scope 2 emissions include all indirect emissions resulting from the purchase of electricity relating to activities over which ElringKlinger exercises financial control. Billed consumption data is used to determine emissions; this data is assessed in two ways: First, the calculation is conducted according to the market-based method using the emission-specific conversion factors provided by the respective energy suppliers. The second, using the location-based method, involves applying the average national emission factor for the electricity mix, which can be obtained from various sources such as the Climate Transparency Report or the Association of Issuing Bodies (AIB).

The quality of the GHG emission figures calculated in this way is assessed in terms of the informative value and representativeness of the underlying activity data. This assessment considers a number of factors, including the technological comparability of the data, its timeliness and geographical relevance, the scope of the available information, and its reliability.

The calculation of GHG emissions relating to Scope 3 is based on the GHG Protocol “Corporate Value Chain (Scope 3) Standard”.

Scope 3 category	Methodologies	Assumptions	Sources of emission factors
3.1 Purchased goods and services	Goods receipt postings of the ElringKlinger Group are divided into commodity groups; monetary or physical values are multiplied by emission factors.	Partial use of primary data; revenue-based extrapolation for total emissions;	Suppliers, Ecoinvent, Climatiq
3.2 Capital goods	Financial values of the ElringKlinger Group relating to the "Property, plant, and equipment" asset category are multiplied by monetary emission factors.	–	Climatiq
3.3 Fuel- and energy-related activities	Calculations of well-to-tank emissions and of transmission and distribution losses are based on Scope 1 and Scope 2 consumption data of the ElringKlinger Group.	For electricity consumption, the calculation also includes emissions due to energy losses in the upstream value chain.	IEA, Probas, UK Government
3.4 Upstream transportation and distribution	Transportation costs of ElringKlinger's SAP plants were calculated using percentages of the transportation types and multiplied by monetary emission factors. Some primary data from freight forwarders.	Includes transportation for which ElringKlinger bears the costs and upstream free-of-charge deliveries. Logistics costs are shown at 1.9% of the value of goods.	Climatiq (EXIOBASE), suppliers
3.5 Waste generated in operations	Waste quantities of the ElringKlinger Group are divided into categories using AVV codes. Volumes are multiplied by waste disposal emission factors.	Emissions for waste that cannot be classified using an AVV code are extrapolated on the basis of weight.	Ecoinvent
3.6 Business travel	Flight data and rental cars with primary data of service providers; cab journeys over distances traveled multiplied by emission factor; data from "red flag" plants obtained manually and emission factors applied.	Consolidation of various data sources	Suppliers, Ecoinvent, Federal Environment Agency
3.7 Employee commuting	Commuting distances of all employees at ElringKlinger Group sites from zip code data (as of 2023) as a base file; assumptions for distribution by means of transportation for the allocation of distances and multiplication by appropriate factors; determination of the average commuting distance per employee.	Assumptions for vacation days, home office days, and for type and distribution of transport methods; from 2024, calculation based on reduction in number of employees per location and average commuting distance of employees relating to the relevant location.	Ecoinvent
3.9 Downstream transportation and distribution	Emission level of free-of-charge transportation were taken from Scope 3.4.	No own data on transport for which ElringKlinger does not bear the cost.	Climatiq (EXIOBASE)
3.12 End-of-life treatment of sold products	Emissions from the disposal and recycling process for material product groups. Weights of the resource inflow minus the associated waste result in the disposal quantity. Coverage for weights in resource inflow: For materials entire ElringKlinger Group, for components SAP plants.	Relevant end-of-life quantities calculated as weights of material product groups in goods received less the corresponding waste quantities. Weights of the resource inflow of components are not reduced by waste quantities because it is assumed that quality assurance measures in the supply chain ensure that disposal at ElringKlinger is avoided.	Ecoinvent

The proportion of Scope 3 emissions based on primary data is approximately 18%. This is the figure for emissions calculated using primary data as a percentage of the Group's total Scope 3 emissions.

GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

The Group is pursuing an ambitious decarbonization program. To this end, it implements multiple actions to avoid and reduce greenhouse gas emissions. In this context, ElringKlinger is focused on reducing carbon emissions by raising efficiency levels and optimizing processes, generating its own energy, and switching to green electricity. It supports climate change mitigation schemes

outside its own value chain only where necessary to cover unavoidable emissions. For the reporting year 2025, the Group anticipated using offsets outside its value chain for unavoidable emissions of 14,500 tCO₂. The required carbon credits will be purchased in the first quarter of 2026 and allocated retroactively to 2025. Accordingly, the credits will also be retired in 2026. In the year under review, the ElringKlinger Group did not use natural sinks or technical solutions to remove greenhouse gases from the atmosphere as a way of offsetting emissions from its own operations or along its upstream and downstream value chain. At present there are no policies or actions in place for this type of mitigation activity.

ElringKlinger supports a project to expand renewable energies outside the European Union. Based on this initiative, GHG emissions were avoided directly in the project country. In the reporting year, ElringKlinger made no GHG removals relating to its own activities or in the upstream and downstream value chain.

Carbon credit purchases are a voluntary measure and do not count toward the Group-wide targets for actual reductions in greenhouse gas emissions. The offsetting measures implemented to date relate solely to unavoidable emissions at ElringKlinger's European locations.

The targeted use of carbon credits is to be understood as a supplementary component of the sustainability strategy in support of existing activities to avoid and reduce emissions. At the same time, ElringKlinger ensures that its use of carbon credits does not impede the achievement of reduction targets but rather contributes to long-term responsibility towards the environment and climate.

ElringKlinger does not purchase carbon credits from removal projects that use biogenic or technological sinks.

ElringKlinger attaches great importance to recognized quality standards when acquiring carbon credits. The credits used in the reporting year supported a solar project in India and served exclusively to avoid CO₂ emissions; there was no reduction of greenhouse gases through biogenic or technological sinks. All carbon credits comply fully with the Gold Standard. The Gold Standard criteria and safeguards ensure that there is no double counting of emission reductions, and there are no corresponding adjustments.

ElringKlinger has no long-term contractual agreements for the purchase of carbon credits. Credits are purchased as needed without entering into multi-year commitments.

Internal carbon pricing (E1-8)

ElringKlinger does not currently operate a Group-wide internal carbon pricing system. Looking ahead, however, there are plans to introduce such a scheme in the long term as a management tool.

Pollution

(ESRS E2)

Impact, risk, and opportunity management (IRO-1)

Information on the management of material impacts, risks, and opportunities is presented in ESRS 2 IRO-1 ([link](#)).

Impacts, risks, and opportunities (SBM-3)

As part of the materiality assessment, the following material impacts were identified along the value chain in respect of biodiversity and ecosystems:

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Air and water pollution				
<ul style="list-style-type: none"> Environmental impact of production processes 				
<p>Actual negative impact ElringKlinger's production processes and those in the upstream supply chain can cause pollutant emissions and residues that have a negative impact on air, water, and soil. The use of fossil fuels, for example, leads to emissions of nitrogen oxides (NO_x) and sulfur oxides (SO_x) that impair air quality and therefore pose a risk to public health. With regard to wastewater, production processes and upstream supply chains can cause ecological damage through discharges of chemical residues, metals, or dissolved organic substances.</p>	■	■	□	short-term (<1 y)
<p>Substances of (very high) concern³ <ul style="list-style-type: none"> Use of substances of concern </p>				
<p>Potential negative impact The handling of chemicals poses environmental and health risks. In ElringKlinger's own business, the improper handling of chemicals can have a negative impact, including possible soil and water contamination. These substances are potentially harmful to humans and the environment and can expose the company to regulatory, financial, and reputational risks.</p>	■	■	□	medium-term (1–5 y)
<p>Substances of (very high) concern³ <ul style="list-style-type: none"> Use of substances of very high concern </p>				
<p>Potential negative impact During upstream production, there is a risk of certain PFAS emissions entering water bodies, causing long-term environmental pollution due to their persistence and bioaccumulation.</p>	■	□	□	medium-term (1–5 y)
<p>Substances of concern <ul style="list-style-type: none"> Regulatory requirements and approval processes for substances of concern </p>				
<p>Risk Stricter environmental regulations, such as REACH and RoHS, impose a further administrative workload and are associated with additional costs. Any delays or compliance failures pose approval and liability risks. Changes in legislation can limit material availability and jeopardize process reliability, especially when sourcing certain fluoroplastics. Changes in the composition of materials used by ElringKlinger or in its choice of suppliers also generate additional costs.</p>	□	■	□	short-term (<1 y)

³ Substances that meet the criteria laid down in Article 57 of Regulation (EC) No. 1907/2006 (REACH) and were identified in accordance with Article 59(1) of that Regulation.

Pollution is directly linked to the topics of climate change, biodiversity and resource use and circular economy, which are covered in detail in other sections of this report. This chapter outlines how the ElringKlinger Group uses various strategies, policies, and actions to reduce pollutant emissions in the air, water, and soil and to ensure the safe handling of substances of (very high) concern.

Policies related to pollution (E2-1)

ElringKlinger has established a solid foundation for the entire Group to address material environmental and chemical risks, both internally and along its upstream supply chain, in the form of a Code of Conduct, Quality and Environmental Policy, Supplier Manual, and Supplier Code of Conduct. Within the area of responsibility of the Chief Operating Officer, a number of units are tasked with implementing the policies developed by the Group to protect the environment. They include, in particular, the corporate units Quality, Real Estate & Facility Management, Production and Tooling, Purchasing & Supplier Quality Management, and Supply Chain Management. These units effectively implement and optimize strategic and operational actions along the value chain and to this end work together on a cross-departmental basis.

Quality and environmental policy

ElringKlinger addresses the issue of pollution in its quality and environmental policy by using low-emission and low-waste production processes and by managing air and water quality. These corporate principles also cover the responsible handling of chemicals. ElringKlinger's quality and environmental policy directly addresses those negative impacts on air quality identified as material. It shows that airborne emissions – in particular nitrogen oxides and sulfur oxides from production processes – are a material consideration for the company in terms of its commitment to sustainability. The policy therefore forms the strategic basis for managing this negative impact and defines appropriate operating conditions.

Responsibility for implementing the Group's quality and environmental policy lies with the Vice President Quality, who reports directly to the Chief Operating Officer.

ElringKlinger Code of Conduct and Supplier Code of Conduct

ElringKlinger addresses the issue of environmental protection both in its internal Code of Conduct and in the Supplier Code of Conduct. Both codes set out clear requirements for dealing with material environmental impacts as well as risks and opportunities – in particular with regard to air and soil pollution and the responsible handling of substances of (very high) concern. Group employees and workers in the wider value chain are obliged to reduce their ecological footprint

and avoid any form of air, water, or soil pollution wherever possible. The codes also contain guidelines on the safe handling, storage, and disposal of potentially hazardous substances in order to minimize environmental risks during the entire product life cycle. The section covering ESRS E1-2 ([link](#)) includes further details on the ElringKlinger Code of Conduct and its Supplier Code of Conduct.

Responsibility for monitoring suppliers and ensuring that they sign and agree to the code lies with the Supplier Quality Management unit, whose Vice President reports directly to the Chief Operating Officer.

Supplier Manual

ElringKlinger's supplier manual, which has been accepted by a majority of the Group's direct suppliers of materials, also contains clear requirements regarding the material impacts, risks, and opportunities covered in this section of the report. It includes a call by ElringKlinger for its direct material suppliers to introduce an environmental management system based on ISO 14001 in order to ensure that environmental impacts from emissions, waste, wastewater, and substances of concern or very high concern are avoided or at least reduced. Here, too, responsibility for reviewing the conditions set out in the Supplier Manual lies with Supplier Quality Management, whose Vice President reports directly to the Chief Operating Officer. Additional information can be found in chapter ESRS E5-4 ([link](#)).

ElringKlinger has introduced precautionary measures across the Group to effectively avoid incidents and emergency situations. These include, in particular, the ISO 14001-certified environmental management system, standardized processes in the context of the Group-wide EKOS⁴ management system, targeted investments in environmentally friendly technologies, and regular employee training relating to relevant environmental aspects such as water, soil, air, chemicals, and waste. These actions help to minimize environmental impacts, ensure compliance with legal requirements, and ensure responsible business conduct with regard to environmental issues.

⁴ EKOS stands for the ElringKlinger Operating System and was introduced in 2018. It forms the basis for standardized processes at ElringKlinger's global production sites.

Actions and resources related to pollution (E2-2)

ElringKlinger implements a wide range of actions at its production sites and along the upstream supply chain in an effort to avoid or reduce any discharge of pollutants into the air, water, and soil, wherever possible. The role of centrally coordinating, advising on, and reviewing these actions is performed by the corporate units Real Estate & Facility Management and Quality. However, responsibility for planning and implementing specific actions lies with individual Group companies.

Emissions at production sites

As part of its quality and environmental policy, ElringKlinger places importance on reducing airborne emissions. This is particularly the case for nitrogen oxides (NO_x), which are mainly produced during thermal processes. This is being implemented through technical optimizations to machinery, modern exhaust air systems, and regular environmental analyses to identify and minimize sources of emissions at an early stage. Some of the actions taken to avoid emissions are described with their associated time horizons in chapter ESRS E1-2 ([link](#)).

When handling substances that are potentially hazardous to water, ElringKlinger places great importance on avoiding discharges into surface waters, reducing pollutant loads in wastewater, and comprehensively protecting soils and groundwater.

Environmental matters in the supply chain

In the context of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichten-gesetz – LkSG), ElringKlinger conducts an annual risk assessment to identify potential human rights and environmental violations in the supply chain. To date, it has documented risks including those linked to air pollutants, hazardous substances, and waste management. ElringKlinger uses this annual assessment as a basis for implementing the measures needed to counteract any risks, for example to guide its audit planning decisions. The Group conducts audits to check compliance with the sustainability criteria set out in the Supplier Code of Conduct. In terms of environmental management, no serious violations were identified in the supplier audits carried out in 2025.

ElringKlinger also requires its direct materials suppliers to avoid environmental pollution by defining relevant policies and materials specifications. At the same time, the Group recognizes that its ability to exert influence is limited, particularly in the upstream stages of raw material extraction and processing.

Handling of substances of concern

In its production processes, the ElringKlinger Group uses various chemical substances that may be classified as substances of concern due to their properties and as such are covered by Group-wide processes in the areas of environmental management and hazardous substance management. These processes include, in particular, systematic recording in an internal company database, regular updates based on new safety data sheets, risk assessments, and operating instructions for hazardous substances in accordance with the German Hazardous Substances Ordinance. In addition, technical, organizational, and personal protective measures are defined to ensure the safe handling of these substances in everyday operations. Possible environmental impacts and potential risks are identified through regular environmental assessments and continuous dialog between the environmental management, occupational safety, and production teams. These standardized procedures ensure that substances of concern are used responsibly and handled in accordance with the applicable legal requirements.

Handling of substances of very high concern

Some of the chemicals used in the Group's production process have properties that lead them to being classified as substances of very high concern (SVHC) under the EU's REACH chemicals regulation. ElringKlinger has established processes to ensure that these substances are handled safely and in compliance with the law. The processes include:

- **Assessment of environmental aspects**
Regularly identify and assess environmental aspects, including the use and potential release of substances of very high concern.
- **Register of applicable legislation**
Maintain an up-to-date register of applicable legislation to ensure awareness and implementation of all relevant legal requirements (e.g., REACH, Hazardous Substances Ordinance).

- **Defined roles and responsibilities**

Define clear responsibilities for compliance and safe handling of SVHC substances within the organization.

- **Defined processes for implementing legal requirements**

Implement standardized processes to integrate legal requirements into operational procedures and monitor compliance.

- **Procurement of legally compliant equipment and materials**

Draw up specifications with binding environmental and safety requirements governing the procurement of equipment and materials in order to avoid or minimize negative impacts from the use of substances of concern.

- **Monitoring and internal audits**

Conduct regular internal audits to review processes and their effectiveness, and use the results as the basis for continuous improvement.

This structured approach ensures that substances of very high concern are handled responsibly in accordance with the Code of Conduct and the Quality and Environmental Policy, and that legal requirements are met at all times.

In cases where the use of an SVHC substance is technically unavoidable, strict protective measures apply in accordance with national and European regulations, in particular EU Directive 98/24/EC and TRGS 600.

In the reporting year, assessments were also conducted in accordance with the DNSH (Do No Significant Harm) criteria of the EU Taxonomy in order to evaluate the substitutability of such substances – particularly in the area of battery and fuel cell technology – from a technical and economic perspective. This evaluation is carried out annually. Further information can be found in the chapter on the EU Taxonomy [\(link\)](#).

In the reporting year 2025, no additional measures beyond the established processes were implemented in the areas described above. Existing procedures – including regular environmental analyses, the annual LkSG risk assessment, regular assessments of substances of very high concern, and internal audit and monitoring mechanisms – were again conducted as planned. This demonstrates a firm and ongoing commitment by ElringKlinger to its existing structures.

Action plan and resource allocation

At present, ElringKlinger does not have in place a Group-wide action plan that systematically brings together all actions and allocated resources relating to pollution. To date, the topics have been pursued on a decentralized basis at the respective locations in compliance with Group standards and legal requirements.

Metrics and targets

Targets related to pollution (E2-3)

ElringKlinger takes targeted action to reduce emissions of pollutants into the air, water, and soil, both at its own sites and along the upstream value chain.

As outlined in the chapter relating to ESRS E1 Climate Change [\(link\)](#), the company has already voluntarily defined specific targets for Scope 1, Scope 2, and Scope 3 emissions.

As yet, in the current absence of precise measuring technologies, ElringKlinger has not defined measurable, outcome-oriented, and time-bound targets for other emissions into the air and water. The company endeavors to keep its environmental impact as low as possible and takes appropriate measures to meet this objective. However, the effectiveness of these measures has not yet been systematically recorded or evaluated using defined indicators.

As far as possible, ElringKlinger strives to avoid using substances of very high concern. These are used only if a technological solution cannot otherwise be implemented. Systematic checks are therefore conducted at an early stage in the development of products and processes to determine whether these substances can be avoided or substituted by less critical alternatives. If the use of such substances cannot be avoided, ElringKlinger complies with all applicable legal regulations and ensures that they are used responsibly and in compliance with the rules. ElringKlinger has not set a measurable, outcome-oriented, time-bound target for substances of concern and substances of very high concern. The rationale behind this is that the focus for substances of very high concern is currently on a risk-based assessment of individual cases and the continuous review of possible substitutes. In the case of substances of concern, specific targets can only be determined in a subsequent step on the basis of the data collected for the first time. However, through continuous substitution assessments, the Group ensures that these substances are used in ElringKlinger products only when they are unavoidable.

Pollution of air, water, and soil (E2-4)

In accordance with regulatory requirements, only emissions from facilities that exceed the thresholds of the European Pollutant Release and Transfer Register (E-PRTR) are relevant for reporting purposes. In the reporting year 2025, no machinery within the ElringKlinger Group exceeded these thresholds.

For the sake of transparency with regard to air pollution, however, the corresponding pollutant emissions of the production plants are included in the report cumulatively.

Emissions to the air in kg

	2025
NO _x	27,472
SO ₂	492
CH ₄	349
N ₂ O	37

ElringKlinger multiplied the primary energy used per fuel for combustion by fuel-specific emission factors to calculate the emission volumes for NO_x, SO₂, CH₄, and N₂O. The emissions were calculated, given the fact that individual measurement at the specific installations is not yet possible. Although ElringKlinger has not yet defined measurable, time-bound target values for specific emissions into the air and water, the company monitors the trajectory of its environmentally relevant emission parameters over time on the basis of calculated emissions. To this end, ElringKlinger continuously documents and reviews its gas and heating oil consumption in central data systems and evaluates the annual changes in terms of production volumes and technological modifications.

In this way, even without formal targets, the company can track the effectiveness of existing actions to reduce potential environmental impacts and present a transparent picture of the progress it has made in implementing its overarching environmental principles.

During the year under review, the ElringKlinger Group did not produce or use microplastics.

Substances of concern and substances of very high concern (E2-5)

At EU level, intensive discussions are currently underway regarding a far-reaching ban on per-fluorinated and polyfluorinated alkyl substances (PFAS). In 2025, the European Chemicals Agency (ECHA) presented an updated proposal to restrict more than 10,000 PFAS substances, with narrowly defined exemptions only for essential applications, including certain medical products. The environmental and health risks identified relate in particular to emissions that may occur in the upstream production of certain PFAS chemicals and cause long-term pollution of water bodies due to their persistence and bioaccumulation. ElringKlinger uses materials containing PFAS at one of its subsidiaries in the context of specific applications in the medical sector. The types of PFAS used are neither substances of high concern nor substances of very high concern. In this case, the relevant environmental impacts may occur primarily in upstream production stages of the supply chain. For this reason, responsible handling of PFAS in the upstream supply chain is of particular importance.

Since ElringKlinger uses materials containing PFAS at one of its subsidiaries, primarily for medical devices, it is essential to handle them with particular care and responsibility – both to protect the environment and health and to ensure regulatory compliance in a rapidly changing EU framework. The types of PFAS used by ElringKlinger are neither substances of concern nor substances of very high concern. The actual risks and regulatory classifications mainly relate to the manufacture of certain PFAS chemicals in upstream supply chains – not the specific forms used by ElringKlinger.

ElringKlinger uses substances of concern only if they are technically necessary and cannot currently be replaced. As part of the Group-wide chemicals management system, these substances, and possible regulatory developments, are continuously monitored in order to minimize risk and examine alternatives at an early stage. Building on this approach, significantly stricter requirements apply to substances of very high concern.

Substances of very high concern are used at ElringKlinger only if they are essential for technical reasons and no suitable substitutes are available. A systematic assessment is therefore carried out before any of the substances in question are used. This includes:

- REACH compliance check and comparison with the Candidate List
- A substitution assessment in accordance with TRGS 600 for substances with particularly hazardous properties (e.g., CMR substances)
- Risk assessment in accordance with EU Directive 98/24/EC

As an integral part of its Group-wide chemicals management system, ElringKlinger systematically records the quantities, uses, and locations of all relevant chemical substances. In addition, the Group regularly assesses possible regulatory risks, such as those arising from future restrictions or approval requirements.

For reporting purposes, all hazardous substances used, systematically recorded, and authorized by ElringKlinger were therefore evaluated and multiplied by the respective purchase volumes. This also tells ElringKlinger the quantities of the corresponding hazardous substances used in its products. On this basis, the quantities were then aggregated by hazard class. For the four plants without a connection to the central ERP system, as well as for the spare parts business segment and a sub-segment of the plastics technology segment, a standardised extrapolation was used as the estimation method; this affects 17.8% of the purchasing volume. In addition, substances of very high concern were identified using a Group-wide materials data system and evaluated for the 2025 reporting period on a product-by-product basis; all SVHC concentrations were included, regardless of the threshold value. ElringKlinger does not manufacture any substances of concern (SoC) or substances of very high concern (SVHC) itself; all purchased materials containing SoC or SVHC remain in the material cycle of the products and are delivered again with them. The following table shows information on SoC that are classified in one of the following hazard classes or categories in Part 3 of Annex VI to the CLP Regulation (EC) No. 1272/2008. The total quantities of SoC substances procured and used in production are reported, as well as the quantities that have left the production plants as components of products.

Main hazard classes ¹ (without SVHC)	Total quantities (aggregated) in kg per year ²
Carcinogenicity (Carc. 1; Carc. 2)	2,348
Germ cell mutagenicity (Muta. 1; Muta. 2)	–
Reproductive toxicity (Repr. 1; Repr. 2)	71,249
Endocrine disruption for human health (ED HH 1; ED HH 2) ³	–
Endocrine disruption for the environment (ED ENV 1; ED ENV 2) ³	–
Persistent, mobile, and toxic (PMT) or very persistent, very mobile properties (vPvM) ³	–
Persistent, bioaccumulative, and toxic (PBT) or very persistent and very bioaccumulative properties (vPvB) ³	–
Respiratory sensitization (Resp. Sens. 1)	487
Skin sensitization (Skin Sens. 1)	175,013
Hazardous to the aquatic environment, long-term impact (Aquatic Chronic 1; Aquatic Chronic 2; Aquatic Chronic 3; Aquatic Chronic 4)	529,993
Damages the ozone layer (Ozone 1)	–
Specific target organ toxicity, repeated exposure (STOT RE 1; STOT RE 2)	40,773
Specific target organ toxicity, single exposure (STOT SE 1; STOT SE 2)	511

¹ If components in a product/material are classified for more than one main hazard class, the quantity of that component is included in each hazard class.

² Emissions from production processes are not included (reported separately in accordance with environmental legislation).

³ Implemented component of EU regulation, transition period begins in 2026.

Information on substances of very high concern that meet the criteria set out in Article 57 and have been identified in accordance with Article 59(1) of the REACH Regulation (EC) 1907/2006:

Main hazard class under REACH Article 57 ¹	Total quantities (aggregated) in kg per year ²
Carcinogenicity (Carc. 1A; Carc. 1B) (Article 57a)	0.01
Germ cell mutagenicity (Muta. 1A; Muta. 1B) (Article 57b)	0.01
Reproductive toxicity (Repr. 1A; Repr. 1B) (Article 57c)	10.03
Persistent, bioaccumulative, and toxic (PBT) (Article 57d)	0.01
Very persistent and very bioaccumulative (vPvB) (Article 57e)	0.18
Substances – such as those having endocrine disrupting properties or those having persistent, bioaccumulative, and toxic properties or very persistent and very bioaccumulative properties, which do not fulfil the criteria of points (d) or (e) – for which there is scientific evidence of probable serious effects to human health or the environment which give rise to an equivalent level of concern to those of other substances listed in points (a) to (e) and which are identified on a case-by-case basis in accordance with the procedure set out in Article 59 (Article 57(f))	–

¹ If components in a product/material are classified for more than one main hazard class or are nominated for the candidate list, the quantity of the component is included in each hazard class.

² Emissions from production processes are not included (reported separately in accordance with environmental legislation).

This analysis of the concentrations of substances of very high concern is based on the information provided by suppliers. According to the requirements of the REACH Regulation (Article 33(1)), suppliers are obliged to inform their customers if an article contains a substance of very high concern in a concentration equal to or greater than 0.1% weight by weight.

The evaluation currently includes all components purchased from direct material suppliers.

Substances of very high concern were also used at three out of four plants not connected to the central ERP system. With this in mind, a standardized form of extrapolation was used as a method of estimation for these plants as well as for the Aftermarket segment and part of the Engineered Plastics segment. Non-automotive products in the Engineered Plastics segment and products in the Aftermarket segment are currently not included in the assessment and analysis of substances of very high concern.

The metrics presented in this chapter are not currently subject to an effectiveness review based on defined indicators. The measurements and assessments available to date are not validated by an external body independent of ElringKlinger's internal quality.

Biodiversity and ecosystems

(ESRS E4)

Strategy

Impacts, risks, and opportunities (SBM-3)

As part of the materiality assessment, the following material impacts were identified along the value chain in respect of biodiversity and ecosystems:

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Impacts on the extent and condition of ecosystems				
<ul style="list-style-type: none"> Impact of location and production 				
<p>Actual negative impact The construction and operation of factories leads to soil sealing and thus to the loss of natural habitats. In addition, noise and light emissions can affect the surrounding ecosystems by disrupting animal behavior and endangering biodiversity.</p>	□	■	□	short-term (<1 y)
<p>Direct cause of loss of biodiversity</p> <ul style="list-style-type: none"> Dependence on mining 				
<p>Actual negative impact ElringKlinger's upstream supply chain is heavily dependent on the extraction of mineral raw materials and thus on mining. This economic sector has a significant impact on biodiversity and ecosystems.</p>	■	□	□	short-term (<1 y)

ElringKlinger applied the WWF Biodiversity Risk Filter [\[Link\]](#) to conduct a biodiversity assessment at all company sites and determine specific actions to be taken.

The biodiversity assessment indicates that ElringKlinger's business model does not have a material impact on land degradation and desertification and that therefore no direct cause-and-effect relationship exists in this context. As regards construction projects, the company ensures that all legal requirements and local regulations on soil sealing are complied with. Some sites are located in or near biodiversity-sensitive areas such as Natura 2000 protected areas, UNESCO World Heritage Sites, or key biodiversity areas. Compliance is safeguarded by certified environmental management systems and the work of environmental officers on site. Furthermore, the assessment confirms that ElringKlinger's business activities do not include any activities that affect threatened species. Thus, no direct causality exists between the operational processes and impacts on endangered species.

ElringKlinger entities located in biodiversity hotspots.

Country	Location	Biodiversity hotspot	Key areas of business	Impact on biodiversity due to production activities
Germany	Dettingen ¹	Swabian Jura	Metal Sealing Systems & Drivetrain Components, Lightweighting/Elastomer Technology, E-Mobility	Yes
Germany	Neuffen	Swabian Jura	E-Mobility	Yes
Germany	Lenningen	Swabian Jura	Tooling	Yes
Germany	Geretsried-Gelting	Ammer-Loisach-Hügel-land	Metal Sealing Systems & Drivetrain Components	Yes
Germany	Runkel	Lahn Valley and its slopes	Metal Sealing Systems & Drivetrain Components	Yes
Germany	Heidenheim	Swabian Jura	Engineered Plastics	Yes
Brazil	Piracicaba	Seasonal semi-evergreen forest within the Atlantic Forest biome (Mata Atlântica)	Metal Sealing Systems & Drivetrain Components, Lightweighting/Elastomer Technology, Metal Forming & Assembly Technology, Aftermarket	Yes
Mexico	Toluca	Flora and Fauna Protection Area Nevado de Toluca	Metal Sealing Systems & Drivetrain Components, Lightweighting/Elastomer Technology, Metal Forming & Assembly Technology	Yes
Indonesia	Karawang	Sundaland	Metal Sealing Systems & Drivetrain Components	Yes
China	Qingdao	Qingdao-Rizhao Coastal wetlands and islands	Engineered Plastics	Yes

¹ The information for the Dettingen site is presented in aggregated form.

Transition plan and consideration of biodiversity and ecosystems in strategy and business model (E4-1)

At present, the issue of material impacts, risks, and opportunities relating to biodiversity and ecosystems is not yet fully considered in existing corporate documents. ElringKlinger is therefore working on a transition plan to protect biodiversity and ecosystems, which is to be implemented in the short to medium term. Biodiversity-related requirements are discussed exclusively with ElringKlinger's direct suppliers. They are obliged to pass on the relevant requirements along the upstream value chain to their respective suppliers. ElringKlinger therefore has no direct contact with upstream actors and affected groups. A systematic involvement of the upstream and downstream value chain therefore did not take place in the reporting year. For the reporting year, ElringKlinger did not conduct a comprehensive biodiversity-related resilience analysis. Such an analysis is planned for the medium term. Alongside climate risk analyses focusing on climate hazards, biodiversity risks were also assessed at site level in order to identify potential impacts on the business model at an early stage. In addition to applying the WWF Biodiversity Risk Filter, an analysis was conducted to assess the proximity of the sites to Natura 2000 protected areas, UNESCO World Heritage Sites, as well as biodiversity priority areas and other protected areas. The results to date show that ElringKlinger's business model is fundamentally viable and robust. This foundation is to be further reinforced through targeted investments in actions aimed at adapting to climate change as well as through greater transparency and the strengthening of supply chain security. On this basis, ElringKlinger is establishing key prerequisites for successfully managing the ecological and economic transformation process. ElringKlinger undertakes to examine in the medium to long term whether additional adaptation measures are required to further strengthen the resilience of the strategy with regard to biodiversity and ecosystems.

Impact, risk, and opportunity management

Policies related to biodiversity and ecosystems (E4-2)

ElringKlinger has policies and documents in place that address material impacts on biodiversity and ecosystems, both in respect of its own business activities and those of its business partners. They are further specified below.

ElringKlinger ensures that minerals falling under the scope of conflict minerals are sourced from conflict-free regions by maintaining a close dialogue with its suppliers and, above all, through transparent knowledge of the raw material sources. ElringKlinger passes on this due diligence within the supply chain via the Supplier Manual, as well as the Policy Statement on Human Rights and the associated environmental standards.

ElringKlinger manages environmental aspects on the basis of overarching internal policies. These include, in particular, quality and environmental policies as well as codes of conduct for employees and suppliers, which define responsible land use, resource-conserving behavior, and compliance with environmental standards. These policies form the framework for dealing with environmental impacts and provide the basis for systematic environmental management.

There are currently no discernible links between social impacts and matters of biodiversity and ecosystems.

Compliance with local laws and specific protection requirements is a cornerstone of ElringKlinger's environmental strategy. Depending on the location, additional regulatory limits and requirements relating to building and approval procedures apply and are consistently implemented. The strategic principle of integrating environmental protection as a key objective is underlined by the company-wide quality and environmental standard. ElringKlinger relies on internationally recognized certifications to ensure high standards. As of December 31, 2025, around 72% of ElringKlinger's sites are certified to ISO 14001. In addition, around 65% of European sites meet the requirements of ISO 50001.

Compliance with ecological standards is corroborated by ISO 14001 certification. Further information on the ElringKlinger Code of Conduct and the Supplier Code of Conduct can be found in section ESRS E1-2 ([link](#)). In its materiality assessment, no relevant impacts were identified by ElringKlinger in respect of oceans and marine ecosystems or with regard to topics related to combating deforestation. Accordingly, no specific policies or intra-company approaches have yet been drawn up in these two areas.

Actions and resources related to biodiversity and ecosystems (E4-3)

ElringKlinger is actively committed to the protection of biodiversity and implements actions that reduce the impact on ecosystems. These actions are derived directly from the underlying policies and documents and substantiate their requirements in respect of operational implementation. As part of its business activities, ElringKlinger also takes into account aspects of environmentally compatible land use in its construction activities. Thus, the Group also complies with the principle of resource efficiency in this area, which is embedded in the Group's quality and environmental policy. This also includes consistent compliance with local building, noise, and lighting regulations in order to minimize interference with sensitive habitats. The Group uses a digital platform to monitor and assess sustainability and compliance risks in the supply chain for the purpose of fulfilling its due diligence obligations and ensuring transparency. In addition, critical issues relating to raw materials are recorded in the International Material Data System (IMDS). These actions are based on exacting internal quality and environmental standards, the codes of conduct for employees and suppliers, the Supplier Manual, and the ISO 14001 and ISO 50001 certifications. ElringKlinger also uses these standards to raise awareness among stakeholders in the upstream value chain and with regard to its own business activities of the material impact associated with biodiversity and ecosystems.

Over the Group's course of business to date, there have been no situations requiring the implementation of a mitigation hierarchy. Similarly, ElringKlinger's current activities do not include any action on biodiversity offsetting, the protection of local and indigenous knowledge, or the use of nature-based solutions.

Metrics and targets

Targets related to biodiversity and ecosystems (E4-4)

ElringKlinger has as yet not defined a measurable, outcome-oriented, and time-bound target in relation to biodiversity. To date, activities in the area of biodiversity have primarily focused on reducing the direct impact of the company's own business activities. However, no strategic targets have yet been set with regard to the material impact in the upstream value chain. This is attributable in particular to the existing database, which is still inadequate and does not currently provide the basis for a sound and reliable definition of targets. Nevertheless, the topic is highly relevant for the company and the entire value chain. ElringKlinger therefore intends to further develop biodiversity-related matters on an ongoing basis and derive specific targets where necessary. The effectiveness of the actions implemented is currently not systematically recorded or tracked by means of defined indicators.

Impact metrics related to biodiversity and ecosystems change (E4-5)

The metric was determined on the basis of an assessment of the site plans of all locations that are in or near key biodiversity areas. In total, ElringKlinger owns, leases, or manages ten⁵ sites covering around 44 hectares that are located in or near these biodiversity-sensitive areas and where the assessment identified negative impacts on these sensitive areas. The Real Estate & Facility Management unit is responsible for preparing and validating the metric. This metric is not subject to quality assurance by a competent external body.

⁵ Production sites located within the same municipality are aggregated and presented as a single site.

Resource use and circular economy

(ESRS E5)

Impact, risk, and opportunity management

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks, and opportunities (IRO-1)

Disclosures on the process for identifying, assessing, prioritizing, and monitoring potential and actual impacts related to resource use and circular economy at ElringKlinger can be found in chapter ESRS 2 IRO-1 [\(link\)](#).

Impacts, risks, and opportunities (SBM-3)

As part of the materiality assessment, the topic of “resource use and circular economy” was identified as material in respect of the impacts, risks, and opportunities for the Group.

Within the value chain as a whole, there are two actual positive material impacts, one potential positive material impact, three actual negative material impacts, one actual material opportunity, two potential material opportunities, and one potential material risk for ElringKlinger.

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Resource inflows, including resource use				
<ul style="list-style-type: none"> Use of primary production materials and in some cases secondary or resource-optimized production materials 				
Actual negative impact In the upstream supply chain, the use of primary materials currently has greater environmental impacts (for example, higher energy consumption, more carbon emissions, greater disruption to ecosystems) than the use of secondary materials.	■	□	□	short-term (<1 y)
Risk The limited availability of (critical) raw materials poses supply and price risks, particularly in the event of global shortages or monopolies.	■	■	□	short-term (<1 y)
Risk The cost-effective use of secondary and recycled materials is limited at present, as these materials often incur higher costs. As a result, there is a risk that ElringKlinger will experience economic disadvantages or competitive disadvantages when switching materials as long as market and price structures have not yet been adjusted.	□	■	□	short-term (<1 y)
Opportunity In the medium term, opportunities are likely to arise in the wake of market developments and changing customer requirements, particularly as a result of heightened demand for sustainable, recycled, or resource-conserving materials. This, in turn, provides the basis for ElringKlinger to achieve competitive advantages, for example through innovative materials, compliance with new regulatory requirements, or positioning itself as a sustainable partner along the value chain.	□	■	□	medium-term (1-5 y)
Resource inflows, including resource use				
<ul style="list-style-type: none"> Resource efficiency through product design 				
Potential positive impact A product design based on the principles of the circular economy and resource efficiency helps to reduce the overall environmental impact in the long term, as materials can be used for an extended period of time, the use of primary raw materials can be scaled back, and less waste is generated.	□	■	□	medium-term (1-5 y)
Opportunity The consistent application of circular design principles offers the opportunity to develop products that are innovative, commercially appealing, and sustainable. This allows the company to clearly differentiate itself within the market and tap into new customer groups that value resource-saving solutions.	□	■	□	medium-term (1-5 y)
Resource outflows related to products and services				
<ul style="list-style-type: none"> Recyclability of products and materials 				
Actual positive impact Many of ElringKlinger’s products and materials are easily recyclable, which has an actual positive impact on the environment, as the recycling of high-quality materials requires fewer primary raw materials, conserves resources, and closes material loops. Existing recycling structures and economic incentives are also conducive to the effective reuse of these materials at the end of their life cycle.	□	■	■	short-term (<1 y)
Actual negative impact The use of non-recyclable materials results in actual negative impacts downstream in the supply chain: these materials have to be incinerated or sent to landfill sites, thus impacting both people and ecosystems through GHG emissions and potential environmental risks. These adverse effects are further exacerbated by the long-term durability of certain materials.	□	■	■	short-term (<1 y)

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Waste				
■ Generation of waste through ElringKlinger's manufacturing activities				
Actual negative impact	■	■	■	short-term (<1 y)
The generation of waste as a result of ElringKlinger's production activities has a detrimental effect on the environment, particularly as a result of downstream disposal and processing operations, which consume energy and potentially cause emissions.				
Opportunity	□	■	□	short-term (<1 y)
Consistent separation by type and established recycling provide the opportunity to unlock additional efficiency potential – for example, through higher recycling rates, additional material cycles, or long-term cost savings by returning valuable materials to the production process.				

Policies related to resource use and circular economy (E5-1)

ElringKlinger has documents, processes, and strategies in place aimed at reducing material impacts in connection with resource use and the circular economy. The policies apply in particular to the business activities of the ElringKlinger Group as well as to business partners or suppliers in the upstream supply chain. Responsibilities for the implementation of policies are listed in ESRS 2 GOV-1 [\(link\)](#).

In the upstream supply chain, ElringKlinger obliges its business partners and suppliers to comply with defined sustainability requirements by means of binding documents, in particular the Supplier Code of Conduct and the Supplier Manual. Compliance is verified via the VDA 6.3 audit catalog, among other methods, and has a bearing on procurement-related decisions. Details of the Supplier Code of Conduct and the management systems that have been implemented can be found in section ESRS E1-2 [\(link\)](#). For information on the Supplier Manual, please refer to section ESRS E2-1 [\(link\)](#).

As regards its business activities, ElringKlinger distinguishes between products for conventional drive technologies (combustion engine) and those for alternative drives. In the case of conventional products in series production operations, the focus is on selective resource-saving actions and “closed-loop approaches” where materials are returned to the production cycle after use through either reuse or recycling. For new products and, in particular, for alternative drive technologies such as battery- and fuel cell-based systems, sustainability aspects and circular principles are incorporated into the development process right from the outset. The information is derived from ElringKlinger’s quality and environmental policy [\[link\]](#), its energy policy [\[link\]](#), and its sustainability strategy.

To date, biological materials have only been used to a limited extent, as the choice of materials is usually limited by specific customer requirements .

The aim of ElringKlinger’s policies is to reduce the environmental impact over the entire life cycle of its products and to establish resource-saving and fully circular product solutions over the long term. The intention is to continuously optimize the positive and negative impacts, minimize the risks, and leverage the potential opportunities.

Actions and resources related to resource use and circular economy (E5-2)

ElringKlinger pursues actions at a global level to reduce negative impacts and risks and to exploit opportunities in the area of resource efficiency and the circular economy. Responsibilities for the management and implementation of actions are established throughout the Group and governed in accordance with ESRS 2 GOV-1.

Key areas of action were identified in the context of the sustainability strategy and are currently being implemented step by step:

- Incorporation of sustainability criteria into the product development process (implementation planned in the medium term)
- Improvement of data transparency over the materials used (implementation planned in the short term)
- Communication of requirements regarding resource use and the circular economy to the upstream supply chain (implementation planned in the medium term)
- Central responsibility for waste management (implementation planned in the short term)

Applying sustainable design principles that affect the entire product life cycle is a material element of the actions that have been planned. By considering circular approaches at an early stage in ElringKlinger’s development process, the company can make a significant contribution to conserving resources in subsequent stages of the life cycle. The end-of-life phase is to be taken into account as early as the product development stage with a view to establishing the basis for closed-loop material cycles.

Manufacturing processes and packaging are also being designed to a greater extent with resource conservation in mind, for example by selecting energy-efficient manufacturing processes or using optimized packaging solutions.

As regards the circular economy, a distinction is made between components and systems business:

- In the company’s components business, which focuses on combustion engines, the emphasis is on the recyclability of products.
- In the systems business, particularly in the field of alternative drive technologies, ElringKlinger intends to comprehensively integrate circular principles into its proprietary solutions.

ElringKlinger aims to make greater use of resource-saving or carbon-reduced primary materials, secondary materials, and recyclable materials by selecting materials in a targeted manner. In the reporting year, ElringKlinger began to improve data transparency over resource inflows, especially raw materials, as a basis for assessing this. The intention is to steadily improve data transparency going forward.

The actions described are based mainly on ElringKlinger's sustainability strategy.

Clear communication, a targeted approach to developing skills, and the early involvement of customers and suppliers are key to implementing the actions outlined above.

As an integral or planned element of ongoing business activities, the actions described do not currently give rise to any significant current or future capital expenditure (Capex) or operating expenditure (Opex) for which separate disclosure would be required. They are implemented as part of the continuous refinement of sustainability-related corporate processes and help to minimize negative impacts on people and the environment.

Metrics and targets

Targets related to resource use and circular economy (E5-3)

To date, no specific strategic targets have been set for resource use and the circular economy. The intention is to develop appropriate targets over the medium term. Until specific targets are set, the effectiveness of actions will be monitored through existing data analyses and planned actions will be adopted by way of internal resolutions, thereby ensuring continuous refinement of and preparations for future target-setting.

Resource inflows (E5-4)

ElringKlinger defines material resource inflows by weighting the Scope 3 emissions associated with direct materials. Emissions from purchased goods and services in the commodity groups Steel, Aluminum, Plastic Granules (Pellets), and Stamped & Deep Drawn Parts are material. The Logistic Services & Equipment (Packaging included) commodity group and Capital goods are of minor importance.

ElringKlinger's water inflow was 216,663 m³ in 2025. This metric represents the service water requirements of ElringKlinger Group sites and is captured through meter readings. ElringKlinger does not operate any water-intensive processes and has therefore classified its own water inflow and outflow as not material overall.

The amount of water required for the production of purchased materials and products is not currently recorded in the context of data collection. As regards purchased components associated with potentially significant water requirements, such as cast components or electronic assemblies, the situation in the supply chain is assessed via ISO 14001 certifications and acceptance of the ElringKlinger Supplier Manual. The analysis of the supplier base operating within water-intensive product areas shows that around 59% of ElringKlinger's direct material suppliers are certified in accordance with ISO 14001. Approximately 72% of the relevant suppliers have accepted the provisions set out in the ElringKlinger Supplier Manual. 83% are either certified to ISO 14001 or have accepted ElringKlinger's Supplier Manual. The data come from an analysis of ElringKlinger's supplier base.

With regard to the inflow of critical raw materials, talc, magnesium and cobalt represent the three principal raw materials. In the case of rare earths, these are neodymium, cerium-dioxide and lanthanum oxide. The information reflects the three principal items in terms of weight and comes from the International Material Data System (IMDS).

With regard to resource inflows, the overall total weight of technical and biological materials used in the reporting year was around 99,950 tons. The weight specification refers to the direct materials and components in ElringKlinger's resource inflow. The proportion of biological materials is negligible and is not reported separately. The calculation is based on purchasing and revenue data. As regards the strongest component commodity groups in terms of revenue, the purchased material items were multiplied by the related material weights from the IMDS. To determine the overall total material weight within the commodity groups, a quantity-based extrapolation was made from the calculated weight percentage to the total weight. The raw material weights were extracted as primary data from ElringKlinger's incoming goods postings. To determine the overall total weight of all materials used in the reporting period, a revenue-based extrapolation was performed.

The recycled share of the direct materials and components used stood at around 22,229 tons in total or around 22% of the overall total weight. For the material commodity groups in terms of weight, an estimate was made by internal commodity group experts. The figures for recycled

content were multiplied by the purchasing weights for the product groups and added together. The total recycled share is determined from a revenue-based extrapolation. The company cannot rule out imprecision with regard to the specification of absolute weights. ElringKlinger did not use any reused products and materials in the reporting year. It is therefore unnecessary to distinguish between reuse and recycling.

Resource outflows (E5-5)

Products and materials

The key products and materials are attributable to the Original Equipment segment (68.1%), the Aftermarket segment (23.1%), and the Engineered Plastics segment (8.8%). Areas of business and products are regarded as relevant if they make a material contribution to Group revenue, measured by their respective share of revenue. The assessment of circular design is carried out by experts of the specialist units concerned, on the basis of criteria such as repairability and durability. ElringKlinger products are usually designed in line with the service life of the respective overall application by carrying out validation testing. The specifications are attributable primarily to customer requirements.

As ElringKlinger predominantly supplies automotive manufacturers, it is assumed that the durability of the products corresponds to the typical industry average. ElringKlinger derives the industry average from a study by the European Automobile Manufacturers' Association (ACEA). For the European market, an average durability of 12.5 years is given for passenger cars, an average durability of 12.7 years for vans, and an average durability of 14.1 years for trucks.

The product groups within the Metal Sealing Systems & Drivetrain Components and Metal Forming & Assembly Technology business units include various metal gaskets/seals and shielding parts with a durability of over 15 years. Although these products are not repairable, they are easily recyclable due to the fact that they include the base materials aluminum and steel.

In the Lightweighting/Elastomer Technology business unit, products are grouped into elastomer gaskets/seals, metal-elastomer gaskets/seals, and thermoplastic, fiber-reinforced plastic components and assemblies. Elastomer-based materials are difficult to recycle. However, the metal base materials of the metallic elastomer gaskets/seals are recyclable. Thermoplastic cylinder head covers attributable to this business unit are designed on the basis of a durability of over 15 years. Although thermoplastic components such as cylinder head covers are generally repairable and recyclable, in practice they are usually replaced completely.

In the E-Mobility business unit, ElringKlinger's cell contacting systems currently account for a significant proportion of revenue. The products consist of a combination of plastic, metal, and electronic components and are generally not repairable. The durability of the products depends to a large extent on the application and is around 10 to 15 years.

Within the Aftermarket segment, the company supplies original parts for ElringKlinger products. As these are of the same quality as series-produced components, they are not examined separately with regard to their circular design.

In the Engineered Plastics segment, durability is between 2 and 10 years, depending on the intended use. It is not intended to repair the product groups due to safety-related aspects, among other factors; in the event of wear, they are replaced completely. As polytetrafluoroethylene (PTFE) is used, the recyclability of some products is severely limited. By contrast, products based on high-performance thermoplastics are generally easy to recycle.

Packaging in ElringKlinger's resource outflow is predominantly determined by customer specifications and is therefore linked to customers' circular requirements. ElringKlinger uses both disposable and reusable packaging; no information is currently available regarding the percentage breakdown of quantities. Disposable packaging consists of either film or cardboard, which is generally recyclable; moreover, cardboard packaging already contains a large percentage of recycled material. Reusable packaging is predominantly owned by customers, is used several times, and is made of easily recyclable materials such as wood, metal, or plastic. The proportion of ElringKlinger products that can be recycled is based primarily on customer specifications, which are, in turn, guided by statutory provisions. The applicable provisions in this case are those in the EU Directive on End-of-Life Vehicles 2000/53/EC, which stipulates a material recoverability of at least 85% and an overall recoverability of 95% including energy recovery. As the composition of the materials used in ElringKlinger products differs from that of a vehicle as a whole, the recyclable content may be higher or lower depending on the product. The principal materials used by ElringKlinger – steel, aluminum, and plastics – are generally easily recyclable.

Waste

The waste-related metrics are generally captured on the basis of primary data such as invoices, weights, and additional information from the local waste facilities serving the respective Group companies. The data are recorded and classified locally and consolidated centrally.

The following table provides an overview of the total amount of waste generated in the context of the ElringKlinger Group's own operations as well as relevant partial amounts.

Waste generated in t	2025
Total amount of waste generated	35,310
Total amount of non-hazardous waste	33,905
of which diverted from disposal	
through preparation for reuse	194
through recycling	30,712
through other recovery operations	227
of which disposal	
of which incineration	1,636
of which landfill	880
of which other operations	257
Total amount of hazardous waste	1,405
of which diverted from disposal	
through preparation for reuse	36
through recycling	499
through other recovery operations	15
of which disposal	
of which incineration	352
of which landfill	298
of which other operations	205

As shown in the table, the total amount of non-recycled waste is 4,099 tons, which corresponds to a proportion of 11.6%. There is no radioactive waste. The three principal types of waste at ElringKlinger are: metal and aluminum residues from punching/stamping and forming technology, and packaging materials made of paper and paperboard.

For a small proportion of the waste generated, no measured tonnages were available. In these cases, reliable estimates were used.

At present, no effectiveness check is carried out for the metrics presented in this section on the basis of defined indicators; neither are the measurements and assessments available thus far validated by an external body independent of the internal quality.

Own workforce

(ESRS S1)

Strategy

Interests and views of stakeholders (SBM-2)

The interests and views of relevant stakeholders are described in detail in the chapter on ESRS 2.

Impacts, risks, and opportunities (SBM-3)

A materiality assessment was conducted in the reporting year to identify the main impacts, risks, and opportunities associated with the undertaking's own workforce. The results are outlined in the following summary:

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Working conditions <ul style="list-style-type: none"> HR adjustment measures 				
Risk Capacity adjustment measures can have an adverse impact on staff motivation, trust, or confidence in the company, and the company's attractiveness as an employer. A lack of communication or inadequate support for employees affected can tarnish the company's reputation and result in higher staff turnover.	□	■	□	short-term (<1 y)
Opportunity Adjusting capacity levels can optimize staff costs and achieve efficiency savings within the Group.	□	■	□	short-term (<1 y)
Working conditions <ul style="list-style-type: none"> Skills shortage and dissatisfied employees 				
Risk The risk of staffing bottlenecks, loss of knowledge, and reduced productivity is heightened by the ongoing shortage of skilled workers and the negative experiences of employees. Inadequate retention of existing employees can also have a negative impact on employer image, productivity, and competitiveness.	■	■	□	short-term (<1 y)
Working conditions <ul style="list-style-type: none"> Occupational health and safety 				
Actual positive impact The approach to occupational health and safety, which is currently tailored to each plant individually, is geared primarily toward preventing accidents at work and fostering appropriate working conditions. This applies in the context of climate change in particular, which can result in higher temperatures. The high standards of health and safety at work have a positive impact on the well-being and safety of employees.	□	■	□	short-term (<1 y)
Working conditions <ul style="list-style-type: none"> Work-life balance 				
Actual positive impact Flexible working time models, opportunities for part-time working, and parental leave policies are contributing significantly to a healthier work-life balance and improved staff satisfaction.	□	■	□	short-term (<1 y)
Equal treatment and equal opportunities for all <ul style="list-style-type: none"> Secure and transparent reporting system for compliance breaches 				
Actual positive impact The "Share with us" whistleblower system gives all staff a secure, confidential, and – if desired – anonymous way to report potential violations, incidents of discrimination, or cases of harassment. This creates a safe space for uncovering unethical behavior early on and instigating a proper investigation. The system strengthens transparency, trust, and integrity within the company and helps to uphold the principles of equal treatment and equal opportunities across the board.	□	■	□	short-term (<1 y)

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Equal treatment and equal opportunities for all ▶ Learning and training culture to foster expertise and integrity				
Actual positive impact Regular compliance and other specialist training, online learning opportunities available worldwide, and continuing education initiatives at the Dettingen, Runkel, and Bietigheim-Bissingen sites serve to improve employees' expertise, integrity, and professionalism. Specialized programs such as Workday Learning, schemes for managers, and the Pioneers program also foster knowledge transfer and leadership skills.	□	■	□	short-term (<1 y)
Equal treatment and equal opportunities for all ▶ Equality, diversity, and pay equity				
Actual positive impact The Equal Opportunities Officers and an active diversity culture within the company help to ensure an inclusive working environment that encourages equal opportunities and mutual respect.	□	■	□	short-term (<1 y)

ElringKlinger's own workforce is made up of permanent staff members working in production, research and development, administration, and sales. There are also a small number of freelancers, i.e., specialists, who are commissioned in particular to do research and development work, for consulting, on a project-by-project basis, or for specific tasks. The company also engages non-employees (i.e., employees of third-party companies) in some cases. These workers provide support to cover temporary requirements in the fields of production and logistics.

The material actual impacts identified in connection with the undertaking's own workforce in the course of the materiality assessment are directly linked to the business activity of the ElringKlinger Group and are derived from its business model. ElringKlinger is mindful of its responsibilities in the subtopics of "Working conditions" and "Equal treatment and equal opportunities" defined in ESRS. The company engages rigorously in activities to promote a work-life balance, ensure secure employment, and promote equal opportunities and pay equity (see the section on ESRS S1-4 [\(link\)](#)). There are no material impacts on the undertaking's own workforce resulting from transition plans to reduce its negative impact on the environment and engage in more environmentally friendly and more climate-neutral activities, because the preparation of a transition plan of this kind is not envisaged until some point in the future. The material impacts, risks, and opportunities identified did not result in an adjustment to the company's strategy or business model during the reporting year.

The materiality assessment gave ElringKlinger a deeper understanding of employee groups with particular characteristics who may potentially be affected by discrimination. In particular, these groups include women in technical roles, older employees, temporary staff, and persons with disabilities. These groups were identified by analyzing personal data.

The Group has not identified any risks or opportunities relating exclusively to specific employee groups – all workers are affected equally.

Impact, risk, and opportunity management

Policies related to own workforce (S1-1)

ElringKlinger takes care to uphold human rights, especially those of its own employees. The company accepts responsibility for safeguarding these rights, both within the organization and across the entire value chain. By aligning its policies with international standards, ElringKlinger

endeavors to support fair working conditions, diversity, and inclusion and to comply with ethical principles and social norms. The undertaking's policies comply with the following international standards:

- The United Nations Guiding Principles on Business and Human Rights
- The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- The UN Global Compact
- The Core Labor Standards of the International Labour Organization (ILO)
- The Universal Declaration of Human Rights of the UN

ElringKlinger has introduced suitable policies and principles in order to meet national and statutory requirements and achieve its own objectives and targets. These documents are geared toward preventing adverse impacts for employees while amplifying the significant positive effects.

ElringKlinger Code of Conduct

The ElringKlinger Group's Code of Conduct provides a guideline and benchmark for the conduct of all employees in relation to such issues as corruption prevention, conflicts of interest, fair competition, data protection, and anti-discrimination. It is binding on all employees and lays the foundations for responsible action in all business units. Responsibility for implementing the Code of Conduct across the Group and developing it further lies with the Vice President Legal & Compliance, who also serves as CCO and Human Rights Officer for the Group. The code sets out the values and principles that ElringKlinger stands for and influences two of the undertaking's material IROs: "Working conditions" and "Equal treatment and equal opportunities for all." The Group is actively committed to upholding human rights and follows principles such as equal treatment, mutual respect, fairness, and trust both within the undertaking and beyond. The code also includes rules on fair working conditions, fair pay, work-life balance, occupational health and safety, the right to freedom of association and collective agreements, equality of opportunity, and the rejection of human trafficking, forced labor, and child labor as well as covering the protection of intellectual property and information security. The principle that discrimination is not tolerated in any form is firmly enshrined in the code. Nobody may be disadvantaged on account of personal characteristics such as ethnic origin, skin color, age, gender, sexual orientation, disability, religion, nationality, trade union membership, or political views.

Suspected violations of the code can be reported using the “Share with us” digital whistleblower system, more details of which are provided in the section on ESRS G1-1 [\(link\)](#).

Regular audits of the effectiveness of the human-rights-related rules and regulations are conducted for compliance purposes. The Management Board and managers have a particular duty to set an example by behaving with integrity. The code is available both on the company’s website and on its in-house intranet.

At present, ElringKlinger has no formalized policy commitment relating specifically to the promotion or inclusion of particularly vulnerable employee groups within its workforce. Nevertheless, it is firmly in favor of equal treatment, non-discrimination, and workplaces free of harassment. No specific strategy extending beyond general due diligence obligations in the field of human rights has been developed to date. The existing principles therefore hold true for all employees equally and are applied across the Group.

Occupational safety policy

ElringKlinger is keen to ensure a safe, secure, healthy, and performance-based working environment and has put a comprehensive health management system in place that supports the company’s long-term success and that forms the basis of its material IROs relating to occupational health and safety. The Group uses its occupational health and safety management as a basis for devising measures and prevention strategies to make ongoing improvements to occupational safety standards and prevent accidents at work. ElringKlinger’s responsible actions and the safe working environment that it has created lay the foundations for safe working across the Group. Its occupational health and safety policy is published on the website of the ElringKlinger Group. The Quality corporate unit is responsible for managing the occupational safety policy and for steering, monitoring, and implementing the measures that form part of it.

Policy statement on human rights and related environmental standards

The policy statement on upholding human rights and related environmental standards sets out how the ElringKlinger Group addresses human rights issues, taking account of the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG). It influences the material IROs relating to two subtopics: “Equal treatment and equal opportunities for all” and “Working conditions” and is geared toward meeting due diligence obligations relating to human rights and the environment, encouraging compliance with these obligations in global supply chains, and respecting the rights of those affected. The statement encompasses the rights of the undertaking’s own workforce, the workers in the supply chain, and the communities and

indigenous peoples affected. The human rights strategy serves to identify risks early on, mitigate them, and prevent actual breaches of environmental and human rights obligations. Within ElringKlinger, these due diligence obligations are complied with in the respective departments; this applies in particular to the integration of the human rights strategy into all processes. The company regularly reviews and reports on progress and challenges and works continuously to fulfill its responsibility. The document has been published both on the company’s website and on its intranet. The Vice President Legal & Compliance is responsible for implementing the policy statement on human rights and related environmental standards across the Group and developing it further.

Processes for engaging with own workforce and workers’ representatives about impacts (S1-2)

The ElringKlinger Group ensures that employees and employee representatives are involved systematically in decision-making processes, especially where issues will have actual or potential ramifications for staff. The dialogue and participation formats put in place, including company and “town hall” meetings, regular conversations between the works council and plant managers, and global staff surveys, enable feedback from the workforce to be logged at an early stage and used to help develop work-related measures further. Employees can also make use of anonymous feedback channels, while the Management Board offers an additional opportunity for candid discussion in the form of “fireside chats.” Site-specific company agreements, close cooperation with works councils and trade unions, and continuous communication via the intranet, notices, social media, and the company’s own website ensure that relevant information – especially regarding the ongoing transition in the automotive industry – is communicated transparently and that staff are involved in key decisions.

This continuous participation by the workforce has a particular impact on occupational health and safety and, consequently, on its own well-being and performance levels too. Feedback from the workforce and close coordination with employee representatives help in identifying workplace risks early on and taking appropriate preventive action. This is especially relevant in the context of climate change, because rising temperatures are necessitating adjustments to workplace design. All occupational accidents are also logged centrally, and their cause and the steps leading up to them are analyzed so that additional preventive measures can be determined in a targeted way based on the findings made, and the continuous improvement process for occupational health and safety can be consolidated further.

Employees are also closely involved in shaping flexible working time models, part-time arrangements, and parental leave policies. The results of the 2023 global staff survey and the ongoing feedback collected from annual staff appraisal meetings are used to help structure these programs and develop them further. This fosters a healthier work-life balance and contributes to greater staff satisfaction and loyalty.

Getting the Disabilities Officers and Equal Opportunities Officers on board and seeking feedback from vulnerable employee groups – e.g., via company doctors – also supports the development of an inclusive working environment that guarantees equal opportunities. These processes of participation help to pinpoint structural barriers and take appropriate action to promote diversity and equal opportunities, fostering a respectful team environment that builds trust and strengthens the corporate culture over the long term.

Employees are involved both informally and in a structured manner across all dialogue formats. Bringing them on board in this way ensures that measures relating to occupational safety, working conditions, equal treatment, and HR development are designed to reflect real-life conditions and are put into practice effectively.

Ultimate operational responsibility for these processes lies with the CEO and the Vice President Human Resources, who ensure that employees' views are assessed systematically and incorporated into strategic decision-making.

Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

Although ElringKlinger's materiality assessment did not identify any material negative impacts on its own workforce, the ElringKlinger Group has put various processes in place to prevent any such impacts on its employees. These include (occupational) safety management systems, health management, the compliance and human rights policies, and the grievance channels. The latter allow concerns or complaints to be raised, can be used by both employees and externals, and serve to communicate human rights violations.

Compliance management system (CMS)

The Management Board of ElringKlinger is clearly committed to compliance, with its status as a role model (the "tone from the top") playing a key part in embedding compliance throughout the entire Group. This is achieved via various channels of communication, including articles and video messages on the Group's in-house intranet. Compliance is taught as part of managers' training to reinforce the "tone from the middle," and they are expected to stress the importance of an effective compliance management system (CMS) and serve as a role model through their own behavior. The section ESRS G1-1 has more information on the CMS [\(link\)](#).

Grievance mechanism and whistleblower system

Given that violations of statutory provisions and internal policies can have serious and far-reaching consequences for the entire ElringKlinger Group, a fair and reliable whistleblower system forms an integral part of an effective compliance setup. Staff have various confidential channels at their disposal to report potential breaches: either via their managers or directly to the compliance organization, represented by the regional and national Compliance Officers or the CCO. The confidentiality of informants is assured in all cases. The "Share with us" digital whistleblower system also allows potential misconduct to be disclosed to the competent person or office directly using a standard form. Reports can be filed completely anonymously, meaning that they cannot be traced back to the person who made them. The whistleblower system is accessed via the company website. ElringKlinger's Code of Conduct makes it clear that reprisals against whistleblowers who report misconduct in good faith are strictly prohibited. The relevant provisions are described in the section on ESRS G1-1 [\(link\)](#).

To ensure the effectiveness of the whistleblower system, all reports received are logged centrally, reviewed systematically, and dealt with following a clearly defined investigation and escalation process. Every report is given a prompt initial assessment followed by a case-specific investigation by the competent Compliance unit. The progress made with processing a report is monitored continuously until the matter has been fully clarified. The results are incorporated into regular compliance evaluations that highlight trends and areas requiring preventive action.

Obligatory training

The Group requires its employees to complete obligatory training, both when they join and at regular intervals thereafter. This training

- aims to familiarize employees with the core standards of the ElringKlinger Code of Conduct,
- encourages employees to report unethical conduct and violations against laws and policies,
- makes employees aware of the responsibilities of the ElringKlinger compliance organization,
- and emphasizes the necessity of ethical business practices.

Management systems

The ElringKlinger Group has introduced a comprehensive Energy, Environment, Health, and Safety (EnEHS) management system to meet the company's own high standards as well as legal and customer requirements. Alongside other standards, it undergoes audits in accordance with the international occupational health and safety standard ISO 45001 in particular. The specifications of the EnEHS management system apply equally to all managers and employees; above all, the occupational safety policies must be observed. All employees are required to report unsafe situations and hazards to their immediate managers or to the competent occupational safety department. Reported risks will then be evaluated and processed on the basis of standardized activity-specific and workplace-specific risk assessments. The responsible department reports at regular intervals to the competent member of the Management Board in order to coordinate next steps. This process guarantees continual improvement; the corresponding management system measures are outlined in the section on ESRS S1-4.

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

Making sure that employees of the company experience no negative impacts as a result of business activity is a particular priority for ElringKlinger, and it has introduced a range of measures to guarantee this. The course of business activity is regulated by various documents (see the section on ESRS S1-1 [\(link\)](#)) as well as management systems (see the section on ESRS S1-3 [\(link\)](#) and ESRS E1-2 [\(link\)](#)), which together provide a framework for the supply chain and data protection. The primary documents of ElringKlinger are national and international standards aimed at upholding human rights, and in particular protecting the company's own workforce.

ElringKlinger has established structured procedures for identifying and dealing with negative impacts as well as the material risks and opportunities relating to the company's workforce. These procedures include regular risk assessments (every six months), established management systems (see the section on ESRS S1-3 [\(link\)](#), ESRS E1-2 [\(link\)](#)), and the corresponding recertification cycles, communication channels, and reporting systems (see the section on ESRS S1-2 [\(link\)](#)).

The ElringKlinger Group evaluates the effectiveness of measures enacted via feedback processes. Employees are invited to submit suggestions for improvement along with general opinions via anonymous feedback channels. In addition, internal and external reporting is used to communicate progress and the challenges facing the company's employees in a transparent manner.

Several measures were launched during the reporting year. Unless otherwise indicated, these will continue to be realized after the reporting period. No information can currently be provided on Capex or Opex expenditure; the measures will be implemented in the normal course of business activity.

The sections below detail the individual measures, adopting the same order as for the material impacts, risks, and opportunities set out above. The effectiveness of each measure is assessed qualitatively using processes and feedback loops, among other things; there are currently no plans to measure it quantitatively as well.

Working conditions

HR adjustment measures

The Group adjusted its staffing capacity levels in its own business units in line with the prevailing market requirements in 2025 via the "STREAMLINE" program to reduce staff costs. Thus, ElringKlinger is responding to cost pressures in the automotive industry and taking the opportunity to become more competitive over the long term. "STREAMLINE" is made up of three modules, each of which focused on a different phase of working life and is based on the "double voluntary action" principle. Regular progress reports from company management and the works council to employees reduced the risk of insufficient communication and an erosion of employer attractiveness during the reporting year, thus ensuring effectiveness. The program is set to be completed in 2026.

Skills shortage and dissatisfied employees

ElringKlinger has a package of permanent measures within its own business units to combat the risk of the ongoing skills shortage and dissatisfied employees and the staffing bottlenecks or falls in productivity that can result. Existing employees work in a safe environment with a wide-ranging staff health offering. ElringKlinger uses various HR development schemes, comprising several talent programs and manager training courses, to strengthen employees' bonds with the company. The Group also offers its own training and dual degree programs to tackle the shortage of skilled labor. These measures are deliberately long-term in nature and are having an impact both in production and in technical, commercial, and administrative areas. The Group is also continuing to use various social media channels, such as LinkedIn and Instagram, to reach out to different target groups and raise its profile as an employer. Being strategic and permanent, these activities do not have a set completion date; instead, the measures are developed further on an ongoing basis. Their effectiveness is reflected in the Group's long-term focus on retention, upskilling, and promoting young talent, which is geared toward reducing excessive workloads, improving employees' prospects for development, and giving a lasting boost to its attractiveness as an employer.

Occupational health and safety

Within its own business units, the ElringKlinger Group provides its employees with a safe working environment throughout their time with the company and pursues a systematic approach to health promotion that takes the long-term view. This includes services such as health checks, fitness programs, and ergonomic workplace layouts in order to promote the physical and mental health of employees. The company has implemented ISO standard 45001 – an internationally recognized occupational health and safety management standard – at many of its sites. Certification helps ElringKlinger to identify risks systematically, implement preventive measures, and guarantee continual improvements in the area of occupational health and safety.

ElringKlinger enacts the following occupational health and safety measures on an ongoing basis:

- Risk assessments for all workplaces
- Ergonomic workstation designs
- Registration, including compulsory occupational safety training, via an online platform for visitors to practically all company sites
- Regular occupational safety training and further education for employees
- Comprehensive emergency assistance in the case of injuries

If an accident occurs in the workplace, first aid is administered on site before a systematic investigation of the incident is conducted to identify causes and use the findings as a basis for making targeted improvements. These improvements are given a clear deadline for implementation, and their effectiveness is reviewed as part of internal audits. Although individual measures can be closed out when they have been implemented successfully, the overarching occupational health and safety system represents a continuous improvement process. The effectiveness of occupational health and safety measures is ensured by means of systematic risk assessments, regular training, and the application of certified management systems and is reviewed as part of a continuous improvement process.

Work-life balance

Offering its employees a consistently safe and attractive working environment is a high priority for ElringKlinger within its own business units. In part, this involves ensuring professional and family life are reconcilable as far as possible. Where possible from a technical viewpoint and actionable from an organizational perspective, the foundations for remote working are in place at several Group locations. This measure is long-term in nature and has been implemented in full within the relevant administrative and knowledge-based business units. The relevant local policies and statutory provisions apply without restriction. Production-related activities derive particular benefit from flexible working time models. Within the undertaking, employees can also adjust their working hours temporarily to their current personal needs, because doing so can be an attractive option – especially for staff returning after parental leave. All ElringKlinger locations offer part-time options to fit in with the different home situations of its staff. The effectiveness of measures to promote a healthy work-life balance is determined by structuring flexible working time models and forms of work to meet employees' needs and enabling these to be adapted to changes in their circumstances.

Equal treatment and equal opportunities for all

Secure and transparent reporting system for compliance breaches

A detailed description of the reporting, i.e., whistleblower, system can be found in G1-1 [\(link\)](#).

Learning and training culture to foster expertise and integrity

The long-term continuous development of employees is critically important to the ElringKlinger Group: Qualified and motivated workers are the key to successful market positioning in a globally competitive environment. Employees are consistently offered educational options with a view to enhancing their professional skills and maximizing their career opportunities. These include programs to promote social skills as well as professional and methodological skills and to prepare employees for management tasks, in particular through programs for high-potential employees. All training courses are offered and recorded via an in-house digital learning platform, with both short-term learning modules and medium- to long-term development programs being planned systematically and assigned clear time horizons. The completion of each measure is recorded in writing and enables an individual's learning progress and the overall effectiveness of the programs to be assessed. These advanced training activities relate exclusively to the undertaking's own business activities.

In addition, all ElringKlinger employees with the exception of production staff undergo an annual performance review or appraisal interview, in which the issues of individual performance and development are discussed. These meetings between managers and employees follow a clearly defined format. In this context, the focus is on target agreement, expressing views on conduct (on both sides), and planning developmental measures. Most of the targets agreed relate to a one-year period and are reviewed during the following year, thus providing a clear short- to medium-term time horizon for development. The implementation and completion of the development measures defined are reviewed and documented at the next appraisal meeting. This process likewise relates exclusively to the employees involved in the undertaking's own business activities and helps to raise performance levels along its internal value chain. The effectiveness of the learning and continuous development measures is supported by a systematic approach to planning, documenting, and following up the training given and by reflecting regularly on development needs during structured staff appraisal meetings.

Equality, diversity, and pay equity

In all its HR activities, the ElringKlinger Group focuses on ensuring equal opportunities, diversity, and pay equality, issues that also form part of its SHAPE30 strategy – making them integral parts of its corporate culture and Code of Conduct. Staff at the German sites can approach the Equal

Opportunities Officers if they have any questions or an incident occurs. ElringKlinger ensures that career progression is based solely on performance, capability, and personal aptitude and that all staff are treated equally and receive equal pay for equal work. Measures to promote equal opportunities, diversity, and pay equity are planned systematically and reviewed regularly in order to uphold these basic principles. This includes analyzing recruitment and promotion processes in terms of equal treatment and instigating targeted awareness-raising measures for managers about diversity and fair pay in order to strengthen an inclusive working environment that is free of discrimination. These activities relate solely to the Group's own business activities.

Beyond this, the Group has not yet drawn up an action plan for the further implementation of the topics covered in ESRS S1. While it is therefore not possible to provide data on operational or capital expenditure (Opex and Capex) at this time, the Group is planning to develop a corresponding plan of action in the medium term.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

HR adjustment measures

During the reporting year, the ElringKlinger Group agreed the target of an annual saving of at least EUR 30 million in staff costs from the 2026 financial year onward. This target relates directly to the strategy for adjusting staffing levels that is described in the section on ESRS S1-4 – and, in particular, to the Group-wide "STREAMLINE" program to reduce staff costs – and fleshes out its financial objective in the interests of establishing a sustainable cost structure.

The "STREAMLINE" program includes downsizing at all Group sites following the "double voluntary action" principle and making use of severance and early-retirement models. The target applies across the Group and to all geographic regions where ElringKlinger employs its own workers. The employee representatives were involved in setting the target and designing the program. Staff who are affected are also offered one-to-one consultations with project specialists in order to ensure that the program is implemented in a socially responsible way.

In particular, the target addresses the material risks that adjusting capacity levels may erode motivation, trust, confidence, and employer attractiveness as well as the material opportunity for making the Group more competitive and efficient by optimizing its staff costs over the long term.

Although the various measures comprising the program are expected to be completed in 2026, the targeted annual savings will continue to have an impact beyond this period, based on the structural adjustments implemented as part of the program. The first quantitative results – in the form of lower staff costs – are anticipated in the 2026 financial year onward.

The degree to which efforts to meet the target are on track is being monitored across the Group using established controlling and reporting processes based on the actual trend in staff costs. Findings from this monitoring are being incorporated into ongoing staff cost management and the continued refinement of HR strategy measures.

This target relates to the material risk and material opportunity presented by the measures to adjust staffing levels.

Occupational health and safety

In 2025, the ElringKlinger Group pursued the strategic target of reducing the number of occupational accidents per million of hours worked Group-wide by 10% year on year. This target relates directly to the occupational health and safety strategy described in the section on ESRS S1-4 and fleshes out its objectives for the prevention of occupational accidents and the continuous improvement of safe and healthy working conditions. The accident rate in the reporting year was 8.5 occupational accidents per million hours worked. This represents a 14.0% improvement on the previous year and signals that the strategic target has been exceeded. The target applies to all the Group's sites worldwide and covers all geographic regions in which its own staff work. The target was set in consultation with employee representatives, while feedback from established dialogue and participation formats is also incorporated into the continued development of occupational health and safety measures. In terms of the actual positive impact identified for occupational safety, it is apparent that the plant-specific approach to occupational health and safety practiced to date is bringing about a marked improvement in employee safety and well-being, especially through prevention, high safety standards, and action to combat climate-related stresses such as higher temperatures. The long-term aim is to reduce the number of occupational accidents to an absolute minimum.

An occupational accident is deemed to have occurred if:

- Medical treatment, that goes beyond first aid is required
- Someone loses consciousness
- An employee is required to work elsewhere due to injury
- An employee is absent from work for at least one day
- A death occurs

Targets are set and reviewed using software across the Group and in close consultation with the management and the Quality corporate unit in order to identify and implement continuous improvement measures at the plants, to track the undertaking's efforts to meet its targets in a systematic fashion, and to use this as a basis for deriving insights or opportunities for improvement. 2025 saw no changes to the underlying methodology or the systems used, because the metric was only introduced in the reporting year.

The system for reporting days lost by individual employees is currently still being developed, meaning that no data is being disclosed in the first reporting year.

This target relates to the material positive impact on occupational health and safety.

No specific targets were set in the reporting year for any of the other material impacts, risks, or opportunities; these are currently being managed via actions and processes, with plans in place to define targets in the medium term.

Characteristics of the undertaking's employees (S1-6)

Methods and assumptions used in recording metrics

The metrics on the undertaking's employees disclosed in the context of this reporting are recorded following uniform methodological principles that apply across the Group. The methods and assumptions described below apply to all HR-related metrics in accordance with ESRS S1 unless any different or supplementary information is given in the respective topic-specific metric sections.

The metrics in the overall ESRS S1 section have not been validated by an external body other than that responsible for quality assurance.

Definition of “employees” in this context and basis for calculation

The HR-related metrics are collected based on the actual number of individuals employed rather than being reported as full-time equivalents (FTEs). This approach enables a consistent and transparent representation of the workforce structure within the Group. The employee metrics reported correspond to the average for the reporting period unless otherwise stated.

Since this combined sustainability report uses a different definition for the total number of employees, no cross-reference is made to the most representative figure in the financial statements because the two are not comparable.

Data sources and consolidation

Both local data sources of Group companies and central data from HR Controlling were used in calculating HR-related metrics. The Group companies use the relevant HR systems to provide their data on employment relationships, new and departed staff, and working conditions. The data is consolidated across the Group and analyzed in accordance with a uniform set of rules.

Data on the number of employees by gender as of December 31, 2025

Gender	Number of employees
Male	6,087
Female	2,859
Other	0
Not specified	0
Total number of employees	8,946

Data on countries with significant numbers¹ of employees

Country	Number of employees (number of individuals)
Germany	4,325

¹ Defined under ESRS as countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees.

Summary of data on employees by contract type, broken down by gender

Number of persons	Male	Female	Other	Not specified	Total
Number of employees	6,087	2,859	0	0	8,946
Number of permanent employees	5,405	2,550	0	0	7,955
Number of temporary employees	682	309	0	0	991
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	5,753	2,307	0	0	8,060
Number of part-time employees	210	385	0	0	595

The majority of ElringKlinger Group staff members are employed on permanent contracts. Project-based work and replacements in the case of illness or parental leave give rise to exceptions. The proportion of employees on fixed-term contracts, i.e., temporary employees, stood at 11.1% in the 2025 financial year.

Employee turnover data

	Unit	2025
Employees who have left the undertaking	Headcount	1,631
Percentage of employee turnover in relation to total headcount	%	18.2

Employee turnover is calculated based on the average number of employees in the reporting period. The rate takes account of actual departures, including both actual departures and natural ones (due to death and retirement). Temporary agency workers are not included in the metric.

The turnover rate in 2025 was 18.2%.

Diversity metrics (S1-9)

The same methodology as in the “Characteristics of the undertaking’s employees (ESRS S1-6)” section was used to calculate the diversity metrics. As regards reporting on gender distribution at the top management level, disclosure relates to the two management levels below the Management Board and the Supervisory Board.

Gender distribution at the top management level

Gender	Number of persons	%
Male	321	83.6
Female	63	16.4
Other	0	0

Distribution of employees by age group, excluding temporary agency workers

	Number of persons	%
Employees under 30 years of age	1,362	15.2
Employees from 30–50 years of age	5,152	57.6
Employees over 50 years of age	2,432	27.2

Training and skills development metrics (S1-13)

Performance and career reviews

Gender	Number of employees who regularly participated in performance and career reviews	Total number of reviews carried out
Male	3,623	3,623
Female	1,320	1,320
Other	0	0
Not specified	0	0
Total	4,943	4,943

A digital learning and training management system is used centrally to calculate data on training hours and career reviews. The aggregate report includes all completed training and e-learning and the number of training hours that this produced per employee within the ElringKlinger Group.

The number of performance and career reviews per employee at the group stands at 55.3%. For the parent company ElringKlinger AG, the ratio for 2025 stood at 56.6%. The number of actual performance and career reviews relative to their agreed number amounts to 95.9.

Training hours

Broken down by gender	Total number of training hours offered and completed by employees	Average number of training hours per employee
Male	51,133	8.4
Female	17,702	6.2
Other	0	0
Not specified	0	0
Total	68,835	7.7

The disclosures on training hours per employee relate to the number of employees as of December 31, 2025.

Health and safety metrics (S1-14)

The health and safety metric from ESRS S1-14 included in the report is calculated based on a company-specific definition that differs from that used in ESRS. In accordance with ESRS, the calculation of the accident rate is based on the undertaking's own workforce as a basic principle. The accident rate determined by ElringKlinger relates exclusively to salaried employees in the first reporting year. No information on work-related illnesses and days lost due to occupational injuries and deaths has been disclosed in the first reporting year. There are plans to expand the scope of reporting for the 2026 reporting year. The number of hours worked that is required to calculate the accident rate is drawn from the HR systems used at each plant. Occupational accidents are reported, logged, and analyzed across the Group using a global EHS software package that documents and evaluates all incidents following a uniform structured process.

The percentage of ElringKlinger employees covered by an occupational health and safety management system in accordance with the standard ISO 45001 stands at 92.0%. The accident rate dropped to 8.5 per million hours worked as of December 31, 2025, a 14.0% fall year on year.

A total of 70 occupational accidents related to ElringKlinger AG.

Number of recordable occupational accidents

	2025
Number of recordable occupational accidents	131
Accident rate: number of recordable occupational accidents per million hours worked	8.5
Number of fatalities resulting from occupational injuries or illnesses	0

Remuneration metrics (pay gap and total remuneration) (S1-16)

The ElringKlinger Group calculated an unadjusted gender pay gap of 24.3% in the 2025 reporting year. The unadjusted gender pay gap reflects the difference in salary between male and female employees before taking account of influencing factors such as job role or career experience. The population used to calculate this metric encompasses all employees, except temporary agency workers, apprentices, working students, interns, staff on marginal part-time contracts, and partially retired staff. Gross annual earnings (gross monthly pay divided by contracted hours) was used based on salary; gross monthly pay includes allowances of all kinds. Since this was the first reporting year in which the metric was recorded, there are not yet any associated actions for this period.

The ratio of the total annual remuneration received by the highest-paid individual to the median total annual remuneration received by all employees (excluding this highest-paid individual) amounts to 51.4. This was calculated by setting the remuneration received by the CEO against the median remuneration received by those employees who correspond to the population defined for the gender pay gap analysis.

Incidents, complaints, and severe human rights impacts (S1-17)

The parameter is determined by a Group-wide analysis of all reports relating to human rights and discrimination that were submitted in the 2025 reporting year via established whistleblower and grievance channels. The methodology is based on the assumption that the reporting channels are known about, accessible, and in good working order and that relevant information is shared about them. The informative value of the parameter is limited by the fact that it only reflects reported incidents.

No human-rights-related complaints whatsoever were submitted in the 2025 reporting year via channels that the undertaking's employees can use to raise concerns. Neither were any cases of discrimination, including harassment, reported for the 2025 financial year.

No fines, sanctions, or compensation payments in relation to the human rights incidents and complaints reported were imposed during reporting year 2025.

Similarly, there were no reports of serious human rights violations via the OECD's National Contact Points for multinational enterprises during the reporting year.

Even though no human-rights-related incidents or complaints were raised in the 2025 reporting year, ElringKlinger nevertheless put a number of preventive measures in place such as regular monitoring and continued development of its Group-wide grievance channels, training on human rights and discrimination issues, and clearly defined processes for handling breaches. These measures will ensure that an effective, standardized procedure can be called on should any reports be filed in the future.

Workers in the value chain

(ESRS S2)

Strategy

The interests and views of the relevant stakeholders are described in detail in chapter ESRS 2 SBM-2.

Impacts, risks, and opportunities (SBM-3)

As regards workers in the value chain, the materiality assessment identified two actual positive impacts, one actual negative impact, and one opportunity. They are outlined in the following summary:

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Working conditions ▶ Transparency and compliance				
Actual positive impact ErlingKlinger deploys a standardized form of supplier risk assessment and has defined clear requirements in its global Supplier Code of Conduct to promote compliance with ethical standards and enhance transparency in the upstream supply chain. Supporting occupational safety and health management systems, such as ISO 45001, also contributes to employee safety and well-being within the upstream supply chain. Targeted audits of direct suppliers help to increase transparency and reduce uncertainties in relation to legal, ethical, and reputational consequences.	■	□	□	short-term (<1 y)
Actual negative impact Failure to observe standards for working conditions, transparency, and compliance leads to human rights breaches such as unequal pay or inadequate occupational safety in the upstream supply chain. Insufficient information makes it more difficult to perform a reliable assessment of working conditions. A lack of controls, or inadequate controls, facilitates the continuation of these malpractices. Although targeted audits of direct suppliers help to increase transparency, there is still uncertainty in relation to legal, ethical, and reputational misconduct by indirect suppliers in particular.	■	□	■	short-term (<1 y)
Working conditions ▶ Creating secure jobs				
Opportunity The implementation of a robust sustainability process not only consolidates ErlingKlinger’s reputation and opens up new lines of business, it also contributes to the stability of the upstream supply chain. By transforming the product portfolio to include more climate-friendly technologies, ErlingKlinger secures jobs for the long term – and for its suppliers too. ErlingKlinger is therefore making significant progress toward fulfilling its responsibility to the environment and society, while supporting the Group’s competitiveness and reinforcing its viability for the future.	■	□	□	short-term (<1 y)
Equal treatment and equal opportunities for alle ▶ Secure and transparent reporting system for compliance breaches				
Actual positive impact The “Share with us” reporting system enables employees of suppliers and business partners to report potential breaches, discrimination, or forms of harassment securely, confidentially, and, if they wish, anonymously. This creates a reliable and secure way to uncover unethical conduct in the upstream supply chain. Processing incoming reports in a structured manner strengthens transparency and integrity; it also helps to uphold equal treatment and equal opportunities in business relationships.	■	□	■	short-term (<1 y)

Along ElringKlinger's value chain, several groups of workers play a key role in producing and supplying specific products and services. ElringKlinger recognizes the central importance of all workers along the value chain and is committed to guaranteeing high standards for working conditions, human rights, and safety and to continuously improving them. Suppliers' and contractors' compliance with human rights principles is a particular priority, especially with regard to equitable working conditions, safe working environments, and co-determination opportunities.

ElringKlinger's activities can have impacts on workers throughout the upstream and downstream value chain. They affect the following groups of workers:

- Workers who are direct subcontractors of ElringKlinger. For example, these are employees involved in raw material extraction and processing as well as workers participating in further processing, including refining, or production of base materials such as plastics.
- Workers in international transportation and shipping.
- Workers in the downstream supply chain – such as those involved in assembly processes in the automotive industry.

The double materiality assessment shows which groups of workers in the value chain are potentially affected by negative impacts and are at higher risk from hazards.

Workers in the raw material supply chain have been identified as having a higher risk of being affected by negative impacts. In certain raw material supply chains that are also relevant to the automotive supplier industry, human rights breaches, particularly child and forced labor, are considered prevalent throughout the system. ElringKlinger is also involved in raw material flows that could harbor systemic risks via upstream and opaque supply chains. In this context, in particular, ElringKlinger views the actual negative impact as material, because it is not possible to completely rule out human rights violations within the supply chain.

ElringKlinger takes account of the fact that its own purchasing and procurement practices (such as pressure on pricing and delivery times) could potentially contribute to negative impacts on workers and adapts them accordingly where necessary. It also recognizes the business model's dependence on workers in high-risk raw material and upstream supply chains and considers these interdependencies when assessing and managing social risks along the value chain.

The Group divides its suppliers into direct and indirect suppliers. Direct suppliers provide raw materials, components, and services that are channeled directly into the production and manufacture of end products. Indirect suppliers support the operations and infrastructure of the enterprise without contributing directly to final production. These parties include suppliers of machinery, tools, energy, IT services, cleaning agents, and other operating equipment.

ElringKlinger examines the potential negative impacts of its business activity on workers in the value chain – especially in connection with the transition to more environmentally friendly and climate-neutral processes. The categories assessed were child labor, discrimination, forced labor, freedom of association, occupational safety, impacts on local communities, and working hours and pay. The assessment found that there may be higher risks in the above categories in China, the United States, India, Turkey, and Korea. The assessment of potential negative impacts relates to the actual structuring of ElringKlinger's value chain, taking into account existing preventive and control measures. However, the higher risks in individual countries identified as part of the abstract risk assessment reflect country- and sector-specific risks and do not constitute a statement about the actual occurrence or imminent threat of negative impacts. The assessment serves as a basis for investigating more closely and defining further measures to prevent potential risks at an early stage.

Through its "Share with us" whistleblower system, ElringKlinger provides all workers in the value chain with a publicly accessible method for reporting potential breaches, harassment, or discrimination securely and anonymously. The system helps to safeguard the rights and interests of workers and actively promotes transparency, integrity, and the principles of equal rights and equal opportunities. Further information about this process is given in section ESRS G1-1 ([link](#)) of this report.

ElringKlinger is enacting several measures with a positive impact on workers in the value chain. The main actions include:

- Collaboration with suppliers: Potential risks are reduced and humane working conditions are promoted on the basis of a sustainable procurement strategy, clear guidelines on conduct, and the establishment of trust-based supplier relations for the long term.
- Greater transparency: The use of digital solutions is facilitating improvements in data transparency throughout the supply chain. This supports the monitoring and continual improvement of environmental and social standards.
- Promotion of sustainable practices: ElringKlinger advocates raising awareness of sustainable practices among suppliers so that they may help to bring about a more socially and environmentally sound supply chain over the long term.

ElringKlinger has identified one opportunity arising from the impacts and interdependencies associated with workers in the value chain. For example, introducing a robust sustainability process presents an opportunity to consolidate ElringKlinger's reputation. This process comprises clear policies, regular risk assessments, effective control and audit mechanisms, and continuous improvement measures to consistently embed environmental and social standards along the entire value chain. By transforming the product portfolio to include more climate-friendly technologies, ElringKlinger aims to secure jobs for the long term – and this applies to its suppliers too. As a result, ElringKlinger is contributing to the stability of the upstream supply chains. ElringKlinger is therefore making significant progress toward fulfilling its responsibility to the environment and society, while supporting the Group's competitiveness and reinforcing its viability for the future.

ElringKlinger regards the identification of risks and potential impacts, and the subsequent definition of appropriate preventive and remedial actions, as a core element of its human rights and environmental due diligence. For the company, acting on this responsibility drives a process of continual improvement. ElringKlinger's human rights strategy is incorporated into operational processes by systematically embedding relevant processes within the organization.

Established measures include the Code of Conduct for ElringKlinger employees and suppliers, the policy statement on human rights and related environmental standards, and the reporting channels described above, put in place to enable transparent communication and reporting of violations. All of the content above is described in detail in the section ESRS S1-1 [\(link\)](#).

To reinforce human rights-related and environmental due diligence obligations in the supply chain, ElringKlinger regularly performs structured risk assessments. These serve to identify and systematically evaluate potential hazards at an early stage. Targeted preventive actions are implemented on the basis of the findings for the purpose of effectively reducing risks. They are implemented based on close cooperation with suppliers and with the development and application of instruments to prevent human rights violations and environmental damage.

During the reporting year, ElringKlinger did not identify any material risks or opportunities that exclusively relate to particular groups of workers in the value chain.

Impact, risk, and opportunity management

Policies related to value chain workers (S2-1)

As outlined in ESRS S1-1 [\(link\)](#), ElringKlinger ensures its actions and policies conform to internationally accepted standards and guidelines. ElringKlinger pursues a wide-ranging strategy aimed at protecting and supporting workers in the value chain. One major component in this is the SHAPE30 Group strategy (ESRS 2 SBM-1 [\(link\)](#)). Within this framework, ElringKlinger drives specific aspects of sustainability, thereby involving workers in the upstream supply chain. Among the focal points are the establishment of a safe and fair working environment, the upholding of suitable working conditions, and occupational health and safety measures. These policies make a significant contribution to transparency, compliance, and creating secure jobs. The Vice President Strategic Communications and Corporate Sustainability is responsible for realizing the sustainability strategy. He reports directly to the Chief Executive Officer.

Operating at a global level, automotive supplier ElringKlinger is part of a complex value chain and, as a manufacturing enterprise, is dependent on supplies of products and services. Thus, ElringKlinger's business activity has a direct effect on the supply chain. To minimize the associated opportunities and risks in the area of human rights, the Group operates to high standards, which it passes on to supply chain partners in the form of policies. In this way, ElringKlinger establishes a shared understanding of ethical and sustainable business relationships. ElringKlinger considers the identification of risks and potential impacts, and the subsequent definition of workable preventive and remedial measures, to be a core element of its human rights and environmental due diligence. ElringKlinger understands its fulfilment of this responsibility to be a continuous improvement process. The human rights strategy is integrated into operational processes and workflows by embedding the processes in the organization. Existing regulations and processes are regularly reviewed for risk and adjusted as appropriate. New regulations and processes are

introduced and communicated worldwide, if necessary, in an effort to cover due diligence obligations as comprehensively as possible. ElringKlinger takes the interests of workers in the value chain into account as part of risk-based on-site audits. Social and human rights aspects are also covered in a standardized questionnaire. Auditors specifically consider the perspectives of particularly vulnerable groups such as young workers, women, or people with disabilities.

With its Supplier Code of Conduct and policy statement on human rights, ElringKlinger has two publicly accessible policies that address the issues of human rights and equitable working conditions while expressly prohibiting child and forced labor (defined as involuntary work such as slavery, bonded labor, human trafficking, and enforced or compulsory work). Both documents have also been shared with suppliers and accord with internationally recognized standards. These include, in particular, the international labor standards of the International Labour Organization (ILO), the United Nations Guiding Principles on Business and Human Rights (UNGPR), the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. ElringKlinger conducts regular audits of direct suppliers to verify whether these standards and the company's own policies are being complied with, and the company works closely with its suppliers to ensure human rights are upheld.

If breaches of applicable principles, norms, or international standards are identified, ElringKlinger introduces, without delay, suitable remedial measures in the form of escalation processes. The company did not become aware of any cases in which a supplier violated ElringKlinger's guiding principles or the international standards specified during the reporting year. Accordingly, no cases of non-compliance with the UN Guiding Principles, the ILO Declaration, or the OECD Guidelines were reported to ElringKlinger in the upstream or downstream value chain. These policies address the impacts identified in the sub-subtopics "Working conditions" and "Equal treatment and equal opportunities" defined by ESRS. They therefore support both the reinforcement of transparent and compliant supply chain processes and the protection of workers from discrimination, disadvantage, and unethical conduct. Through clear requirements, regular audits, and a reliable whistleblower system, the policies help to reduce human rights-related risks, clearly define responsibilities, and foster a culture of openness and integrity along the entire value chain.

Processes for engaging with value chain workers about impacts (S2-2)

ElringKlinger generally concludes contracts directly with direct and indirect suppliers.

The Group follows a structured process to ensure a reliable and effective supply chain. This process is split into various stages.

- Supplier identification and qualification: Potential suppliers are reviewed and evaluated to make sure they meet the requirements of the company.
- Supplier selection: Suitable partners are chosen in line with the evaluation.
- Supplier assessment: The performance of suppliers is continually monitored with a view to ensuring quality and performance standards are met.
- Supplier development: Specific measures aimed at enhancing and improving supplier performance are enacted.
- Phase-out: The final stage is only initiated if continued cooperation would not be expedient.

ElringKlinger maintains a regular dialogue with its suppliers directly, depending on their risk profile, commodity group, and supplier status. It typically contacts them during onboarding, for specific discussions as required, and as part of audits or risk assessments. In the case of strategically important or high-risk suppliers, the exchange takes place much more frequently. On these occasions, ElringKlinger asks for the suppliers' views on sustainability aspects and considers them when making contract award decisions.

Regular, risk-based dialogue with suppliers and including their views in contract award decisions and audits enables ElringKlinger to make progress with promoting positive impacts on working conditions (transparency and compliance) and equal treatment and equal opportunities. These processes also make it easier to identify potential negative impacts with regard to respect for human rights in the supply chain at an early stage and mitigate them.

This helps to establish stable and productive relationships with suppliers for the long term. A similar process is used to select indirect suppliers. ElringKlinger does not currently offer its suppliers any training with regard to engaging with stakeholder views.

Moreover, at the time of reporting, there were no global blanket agreements or other agreements with international trade union confederations in connection with upholding the human rights of workers in the value chain, including the right to collective bargaining. This means that these agreements do not provide any specific insights into the views of these workers. Therefore, this aspect is not currently relevant to the company.

The Vice President Purchasing and Supplier Quality Management, who reports directly to the Chief Operating Officer, is responsible for the operational implementation of this process, and for incorporating results into the corporate concept.

The competent sections of the ElringKlinger Group monitor their own processes on a regular basis to guarantee the effectiveness of measures within the supply chain. Where potential for improvement is identified, this is incorporated into continual process optimization. Various tools are used to assess effectiveness, including quality metrics, auditors' reports, target agreements, and reviews of targets. Key indications of the effectiveness of measures enacted are also provided by the incidents reported via the grievance channels.

ElringKlinger relies on maintaining trusting relationships with its suppliers. Risk-based on-site audits help the Group's Supplier Management to gain an understanding of the views of workers in the value chain. These audits are based on a standardized questionnaire (VDA 6.3) with an appended section on sustainability. In 2025, training sessions on the sustainability aspects of the questionnaire were held for all auditors. The purpose of these sessions was to raise awareness and establish a common understanding of the aspects. As part of these audits, ElringKlinger also specifically looks at the situation of the particularly vulnerable groups described above and makes sure that their specific risks, needs, and perspectives are systematically considered.

Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

ElringKlinger's compliance organization has established various options for submitting notifications of potential breaches of law and other regulations. A detailed description of the Group-wide grievance procedure, which is also open to all workers in the value chain, is provided in section ESRS G1-1 ([link](#)).

The supplier agrees that ElringKlinger, commissioned third parties, and customers of the undertaking or their authorized representatives may conduct audits in order to verify compliance with the obligations set out in the Code of Conduct. In the course of these audits, relevant documents of suppliers and their subcontractors are inspected. Inspections are exclusively restricted to documents linked to implementation of the Code of Conduct; they are carried out in compliance with applicable data protection regulations, thereby ensuring trade and company secrets are protected. Audits are performed during normal business hours, subject to prior notice. ElringKlinger engages with workers in the value chain via established structures and processes within supplier and compliance management, in particular through a structured supplier management process, risk-based supplier assessments, and on-site audits of direct suppliers. The Supplier Code of Conduct and policy statement on human rights also provide a binding framework for considering social and human rights aspects along the value chain. Information on how ElringKlinger determines whether the workers in the value chain know about and trust these structures and processes introduced, and details of existing concepts for protection from retaliation, can be found in text section ESRS G1-1 ([link](#)).

Taking action 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 actions (S2-4)

ElringKlinger actively works on the material impacts documented in the materiality assessment in connection with creating jobs, transparency, and increasing compliance activities in the supply chain by gradually transforming the Group's product portfolio to include more climate-friendly technologies. This transformation helps to secure employment for the long term, both within its own company and with suppliers, support sustainable value structures, and further increase transparency along the supply chain.

Human rights-related and environmental due diligence obligations are systematically incorporated into the corporate processes. Risks and impacts are identified and evaluated on an ongoing basis, with preventive and remedial measures enacted as necessary. The aim of these measures is to avoid, minimize, or immediately eliminate human rights- and occupational safety-related risks and to effectively prevent negative impacts on workers in the value chain. The implementation is global, based on risk, and carried out in consultation with relevant stakeholders. Preventive actions, in particular training for ElringKlinger employees in relevant areas of business, play a key role in this context. This training is regularly reviewed with regard to its potential for improvement and further refined accordingly. The aim is to achieve the expected outcomes of raising awareness among employees, reducing work-related risks, and improving compliance with internal and legal requirements. For employees in ElringKlinger's own operations, there is a comprehensive range of obligatory training available – including occupational safety and compliance training in particular. This obligatory training must be completed both when joining the company and at regular intervals. Occupational safety training must be completed annually in accordance with local legislation and compliance training must be completed every two years. Holding regular training sessions is expected to preventatively reduce safety-related incidents and compliance breaches, and to help make responsible conduct a permanent fixture of day-to-day work. As the trained employees apply this knowledge in procurement, audit, and decision-making processes, their increased awareness of labor, environmental, and human rights-related standards also has an impact on the supply chain: risks are identified earlier, requirements are communicated more clearly, and breaches are addressed more consistently. This means that the training contributes indirectly to improving working conditions and promoting responsible business practices throughout the value chain.

ElringKlinger conducts regular audits of selected direct suppliers in the upstream value chain as a measure to review and, if necessary, improve working conditions in the value chain. Alongside environmental and compliance aspects, these audits involve the specific review of such work-related criteria as workplace safety, fair remuneration, working hours, and freedom from discrimination. The subsequent findings provide a basis for concrete improvement measures, while underpinning the company's due diligence obligations with regard to human rights. Further measures to promote positive impacts on the working conditions of workers throughout the value chain comprise the standardized supplier risk assessment, the global Supplier Code of Conduct, the occupational safety and health management systems aligned with ISO 45001, the audits conducted on direct suppliers to increase transparency, and the "Share with us" reporting system, which also helps to boost transparency in the supply chain.

Identifying and minimizing human rights-related risks in the value chain is important to the Group. With this in mind, Supplier Management is continuously working to improve working conditions in the supply chain and compliance with international standards. To identify negative impacts and drive positive developments at an early stage, the effectiveness of these measures is regularly monitored by means of audits, self-disclosure, and risk assessments. In the 2025 reporting year, no severe human rights incidents or problems requiring remedy were identified within ElringKlinger's upstream and downstream value chain. As ElringKlinger has not previously published a CSRD-compliant report, the Group is not yet referencing earlier reporting periods.

The Group has also not yet prepared an action plan concerning further implementation of due diligence obligations in the fields of human rights and the environment. While it is therefore not possible to provide data on operational or capital expenditure (Opex and Capex) at this time, the Group is planning to develop a corresponding plan of action in the medium term.

ElringKlinger has a range of procedures to determine which actions are necessary and appropriate to respond effectively to negative impacts, whether actual or potential. In the process, the Group adopts an integrated approach comprising both preventive and responsive elements. One central tool is the CMS, which supports the systematic prevention, detection, and management of compliance violations. The CMS forms the basis for adherence to regulations throughout the company. Further information on the CMS is provided in the section on ESRS S1-3 ([link](#)). In addition, compliance risks are regularly assessed and evaluated as part of the Group-wide risk management process. This makes it possible to identify potential threats and introduce appropriate countermeasures at an early stage. Another key component is provided by Supplier Management. ElringKlinger maintains trust-based relationships with its suppliers and uses risk-based on-site audits to verify compliance with standards and expectations. Thanks to this integrated approach, ElringKlinger is in a position to respond proactively to potential negative impacts while continually developing measures.

ElringKlinger adopts a preventive approach founded on clear policies to counter potential negative impacts on workers in the value chain. In this context, one central tool is the Supplier Code of Conduct, as outlined above. Moreover, the company's expectations in terms of social and human rights standards have been incorporated into the selection process for suppliers. The global purchasing organization also undergoes comprehensive training in sustainability issues, especially with regard to the Supplier Code of Conduct and the requirements of the LkSG. In order to prevent or mitigate material negative impacts due to poor working conditions in the supply chain, ElringKlinger deploys a set of measures that have already been implemented or are ongoing or planned. These include software-based risk assessments for all suppliers, alongside tools such as the audits already described, binding documentation, and defined certification requirements, compliance with which is systematically reviewed.

ElringKlinger ensures the availability and effectiveness of processes to provide remedy by actively involving the compliance organization in the tracking and assessment of reported cases. As part of this process, the compliance organization specifically keeps itself informed about the implementation and effectiveness of the actions initiated.

ElringKlinger addresses important issues that may have a negative impact on workers in the value chain in its Declaration of Human Rights, the ElringKlinger Code of Conduct, and the Supplier Code of Conduct. By providing employees in the respective areas with regular training on applicable policies, the Group ensures none of its business-related practices have a material negative impact on such workers. ElringKlinger places the same environmental and human rights-related requirements on itself. This ensures none of the Group's own practices adversely affect employees in the value chain.

Separate disclosure of the resources available to the Management Board for dealing with workers in the value chain is currently not possible.

Many of the actions related to social matters make a positive contribution to the company's image but are not quantitatively measurable. The Supplier Code of Conduct, which was drawn up in 2023, was accepted by 61.9% of direct suppliers and 17.0% of indirect suppliers in 2025. Supplier Management also carried out 165 supplier audits covering sustainability aspects. It is also possible to verify the effectiveness of the measures via the whistleblower system. Every instance reported to the ElringKlinger compliance organization via the existing reporting channels also constitutes an indication that employees are aware of the whistleblower system.

No material risks were identified for ElringKlinger during the materiality assessment. One central measure for creating secure jobs is implementing a robust sustainability process that consolidates the company's reputation and opens up new lines of business, which contributes to the stability of the upstream supply chain. The transformation of the product portfolio to include more climate-friendly technologies also secures jobs for the long term – including at suppliers – and thus makes a significant contribution to ecological and social responsibility and to strengthening the Group's competitiveness and future viability.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5)

The ElringKlinger Group has no outcome-oriented and time-bound targets for the management of impacts, risks, and opportunities with regard to workers in the value chain at the time of writing, as the relevant reporting is still being established.

Even without setting measurable, outcome-oriented targets, ElringKlinger tracks the effectiveness of its policies and actions with regard to material sustainability-related impacts, risks, and opportunities in the supply chain. It does so via established processes in Supplier Quality Management. Every month, this corporate unit collects data on the acceptance level for the Supplier Code of Conduct for direct suppliers and publishes this information in an internal report.

Risk-based assessments are also deployed to verify the status of implementation of existing measures and identify any potential need for action. The results are used for continuously fine-tuning the supplier management processes. In addition, the introduction of a software-based review of the entire supplier base is planned in the medium term to further systematize the effectiveness controls.

Business conduct

(ESRS G1)

Governance

The role of the administrative, management, and supervisory bodies (GOV-1)

ElringKlinger discloses GOV-1 information in the ESRS 2 chapter [\(link\)](#).

Impact, risk, and opportunity management

Description of the processes to identify and assess material impacts, risks, and opportunities relating to business conduct (IRO-1)

Information about the procedure for investigating, analyzing, prioritizing, and monitoring the potential and actual impacts of ElringKlinger’s business conduct can be found in the description in chapter ESRS 2 IRO-1 [\(link\)](#).

Impacts, risks, and opportunities (SBM-3)

The materiality assessment conducted during the reporting year identified material positive and negative impacts with regard to the individual matters as well as one risk and one opportunity associated with corporate culture, corruption, bribery, and the protection of whistleblowers. These are presented in the overview below.

	Attribution of value chain			Time horizon
	Upstream	Own business	Downstream	
Corporate culture				
<ul style="list-style-type: none"> Values-based corporate culture 				
<p>Actual positive impact</p> <p>The clear definition of corporate values and an innovation-based mindset have created a strong foundation for a positive corporate culture. This allows employees to develop a stronger sense of identification with the company, while a values-based management culture is promoted through Code of Conduct training and New Work initiatives. This strengthens trust, as well as personal and professional resilience, and contributes to a working environment that promotes motivation, identification with the company, and commitment. Regular “town hall” meetings facilitate transparency and open exchange, in addition to fostering cohesion.</p>	□	■	□	short-term (<1 y)
<p>Opportunity</p> <p>Employees’ increased identification with corporate values has created an opportunity to drive transformation in a manner that is stable and successful. The combination of values-based management, resilience-building, and transparent communication has provided the company with the opportunity to keep developing its culture, to enhance openness to change, and to remain an attractive employer in the long term.</p>	□	■	□	short-term (<1 y)
Protection of whistleblowers				
<ul style="list-style-type: none"> Open corporate culture and suitable protection mechanisms for whistleblowers 				
<p>Actual positive impact</p> <p>The “Share with us” whistleblower system allows stakeholders to report compliance breaches confidentially and anonymously. As a result, potential grievances are identified at an early stage and dealt with in accordance with applicable rules. The system helps to reinforce the integrity of the company’s processes and supports a transparent and responsible corporate culture.</p>	■	■	■	short-term (<1 y)
Corruption and bribery				
<ul style="list-style-type: none"> Corruption and bribery 				
<p>Actual negative impact</p> <p>Throughout the global value chain, there is potential for negative impacts on people, society, and the environment – especially in the event of corruption, inappropriate behavior, or compliance failures. Such incidents can lead to unlawful actions, anti-competitive practices, and adverse impacts on suppliers, employees, and local communities.</p>	■	■	■	short-term (<1 y)
<p>Risk</p> <p>Against the backdrop of international business activities, complex corporate structures, and global supply chains, it is impossible to completely rule out potential corruption risks despite effective preventive measures having been put in place. Breaches could lead to serious consequences for the ElringKlinger Group – including reputational harm, financial losses, and legal and liability risks.</p>	■	■	■	short-term (<1 y)

Business conduct policies and corporate culture (G1-1)

A modern corporate culture that is open to change forms the basis of ElringKlinger's ongoing transformation. For this reason, "Corporate Culture" is one of the five success factors in the corporate strategy SHAPE30. The goal is to keep evolving corporate culture and to prepare employees for future challenges, as the Group is focused on a market-driven culture that emphasizes innovation, collaboration, and performance. Important pillars include an entrepreneurial mindset, individual commitment, and self-reflection. The company's actions are guided by its values: trust and reliability, passion and team spirit, integrity, sustainability, innovation, and a focus on what is essential. The rationale for corporate culture and its ongoing refinement are firmly embedded in the Group's strategic and organizational governance processes. In order to effectively embed and continuously refine this culture, ElringKlinger relies on a range of structured measures. As part of the SHAPE30 strategy, these include regular values-setting workshops carried out in particular with managers, which create a shared guiding framework. For a number of years, a specialist internal organizational unit has been responsible for evolving corporate culture. This department comes up with ideas for specific activities to improve collaboration, management, and communication. The effectiveness of corporate culture is regularly reviewed in activities such as regular "town hall" meetings, management dialogues, and modern work formats. The insights gained in these activities are systematically analyzed and provide a basis for the department to implement targeted measures for the ongoing advancement of management, collaboration, and a shared understanding of the Group's cultural orientation. Through this systematic approach, corporate culture is not only defined but also actively shaped, facilitated, and continuously reviewed in feedback cycles.

ElringKlinger pursues management approaches and initiatives designed to address identified impacts, leverage opportunities, and mitigate risks related to anti-corruption and competition law. These will be described in the following sections.

Compliance management system (CMS)

ElringKlinger uses a CMS to safeguard its values and prevent and identify legal violations early on. The CMS also takes external stakeholders into account by granting them access to the whistleblower system on the Group's website. Moreover, the CMS involves external stakeholders in the management of policies and procedures.

The CMS is built on three fundamental principles – preventing, uncovering, and investigating compliance breaches – and, in addition to binding compliance rules, also covers the measures required to obey laws and policies and to act and behave responsibly in the following areas:

- Antitrust law
- Anti-money-laundering
- Conflicts of interest
- Privacy and data protection
- Human rights
- Corruption and bribery

ElringKlinger's CMS is based on the seven fundamental elements of IDW Auditing Standard 980: compliance culture, compliance objectives, compliance organization, compliance risks, compliance program, compliance communication, and compliance monitoring and improvement. The CMS is designed to prevent breaches of the law, which – aside from reputational and financial risks – would also have consequences under criminal and employment law for individuals. Further information on the CMS is provided in the section on ESRS S1-3 ([link](#)). The process of regularly monitoring and refining ElringKlinger's corporate governance systems constitutes a key element in efforts to build trust, enhance transparency, and promote continuous improvement. In 2024, the CMS was reviewed in terms of its design and structural adequacy in the areas of anti-corruption and competition law. In 2025, an effectiveness review was carried out for the same areas, which confirmed the practical implementation and effectiveness of the management and control mechanisms for this system.

The ElringKlinger Code of Conduct and other policies

The Code of Conduct forms the linchpin of the company's entire compliance strategy. It sets out guidance that staff across the world are required to follow and is geared towards promoting responsible behavior and integrity in their day-to-day work and strengthening trust in the company among business partners, customers, and the general public. Available in several languages, the Code describes the expectations made in terms of lawful and ethical behavior in a number of areas, including environmental protection, climate action, human rights, fair business practices, privacy, data protection, equal treatment, and handling conflicts of interest. The Code thus does much to strengthen a values-based corporate culture and supports efforts to implement the company's strategy in the interests of sustainable and responsible business practices. The section on ESRS S1-1 ([link](#)) has more details on the ElringKlinger Code of Conduct and its Supplier Code of Conduct. In

2025, ElringKlinger reinforced its values in targeted values workshops for employees, facilitating the integration of SHAPE30 into everyday work life.

Aside from the Code of Conduct, there are other policies in place across the Group that are binding on all employees, such as the anti-corruption policy. These are available on the intranet and have been signed by the Management Board. The policies are reviewed by the CCO at regular intervals and updated as necessary in line with statutory requirements.

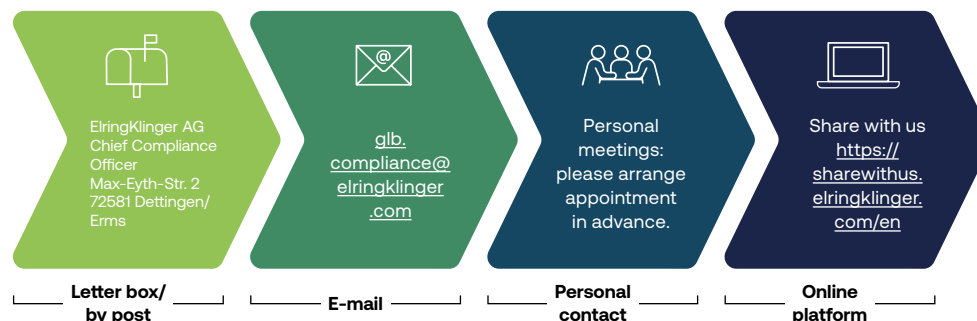
Process and actions

ElringKlinger provides a number of reporting channels for compliance breaches. Potential compliance breaches can be reported to managers or to the compliance organization itself – that is, the regional Compliance Officer or the CCO – via the digital whistleblower system “Share with us,” which is provided by an independent third party. Trained personnel familiar with the procedural principles are the first to receive compliance reports. All incidents, including those related to business conduct, are investigated promptly, independently, and objectively to ensure that they are dealt with appropriately and transparently. Employees are told about compliance and the various reporting channels in the Code of Conduct, via flyers, and in compulsory online compliance training. ElringKlinger makes reference to its different reporting channels on its company website and intranet.

With the aid of a predefined reporting form, the “Share with us” digital whistleblower system enables potential misconduct to be reported straight to the person or team responsible for investigating it. The system can be used by the general public, meaning that customers, suppliers, or affected communities, for example, can also submit reports completely anonymously. It is not possible to trace such information back to the whistleblower, which includes details of their identity. ElringKlinger is subject to the legal provisions of the German Whistleblower Protection Act, which transposed the EU Whistleblowing Directive 2019/1937 into German law. ElringKlinger employs a comprehensive security concept to protect the identity and personal data of whistleblowers. This includes the use of a whistleblowing platform that meets the highest technical security standards as well as complementary internal organizational measures, such as strict access and authorization controls, regular training, and process monitoring. This is how the Group ensures that it meets the requirements of the EU Whistleblowing Directive and its own governance standards while safeguarding the integrity of the whistleblower system in the long term. Furthermore, ElringKlinger does not tolerate any discrimination or retaliatory measures meted out on whistleblowers. Employees, suppliers, business partners, or third parties who retaliate against whistleblowers will face consequences. Relevant guidance can be found in the Code of Conduct

and in the procedural description on the Group’s website and intranet. The company safeguards whistleblowers by treating their identities with strict confidentiality and restricting access to a clearly defined group of authorized personnel. Any changes in the working conditions of employees who have made reports are documented systematically and reviewed in close collaboration between the compliance and HR departments to determine whether they potentially constitute retaliation. Binding internal policies, regular training, and clear employment law consequences in the event of breaches allow the company to prevent adverse impacts following reports and to reinforce a culture of trust and integrity in the long term.

Our reporting channels



All employees with a personalized Office account must complete compliance training every two years. This training addresses key issues such as corruption, bribery, and conflicts of interest. It contains both an introduction to legal principles and practical engagement with the company’s internal policies and standards of conduct. Training is delivered online via an e-learning system and culminates in a compulsory knowledge test in order to ensure that the content learned has been understood.

Advanced training is also offered at irregular intervals to specialist teams that are particularly exposed, such as Purchasing and Sales. This takes the form of in-person or interactive online workshops and looks at specific case studies, recent developments in white-collar crime, and risks specific to the industry. The aims are to raise awareness of the risks, encourage staff to be more confident in their actions, and support the consistent application of the compliance regulations in their day-to-day work.

Prevention and detection of corruption and bribery (G1-3)

The CMS defines the scope of action within the ElringKlinger Group. It encompasses all the Group's stakeholders and is geared towards ensuring that all its business activities comply with the law and the relevant policies as well as setting out clear regulations on responsibilities, communication channels, and measures.

All information regarding corruption and bribery is taken seriously and is pursued within the scope of the CMS. The reporting channels for compliance described above are also used to report corruption and bribery, while additional regulations are in place to prevent risks in these two areas. One key element here is the separation of duties: critical business processes, especially those of a financial or contractual nature, are designed in such a way that vital roles and responsibilities are shared among several people. This prevents individuals from exercising sole oversight or control over sensitive processes such as procurement, approvals, or payments. This principle is supplemented by binding approval procedures and the dual-control principle. The latter ensures that decisions of material importance are always checked and signed off by at least two people authorized to do so. These measures are set out in internal policies and form an integral part of the company-wide compliance system.

The compliance organization – which is organizationally separate from the operational management chain and reports independently to the relevant bodies – documents all incoming reports and information while upholding confidentiality requirements. If contact details are provided when a suspicion-related report is submitted, the person forwarding the information will be given confirmation that the suspicion-related report has been received; the person will be informed about the further course of the investigation after seven days at the latest. As a general rule, the compliance organization examines every incoming report independently while observing the principles of procedural fairness. If necessary, state authorities are informed. An investigation report is prepared at the end of every investigation. The report includes details of the outcome of the investigation as well as recommendations – based on the findings – for the parties affected and

involved. Where an investigation substantiates compliance breaches, the compliance organization takes appropriate subsequent measures, in particular regarding employment and criminal law. Where the contact details of the whistleblower are known, the whistleblower will receive a response within three months of receiving confirmation of the incoming report. This feedback includes a notification in respect of planned measures as well as measures already taken, together with details of the grounds for such measures – unless such notification would jeopardize investigations or prejudice the rights of the persons who are the subject of the notification.

The compliance organization is also responsible for monitoring the implementation and effectiveness of corrective measures. If contact details have been left, the compliance organization contacts the person who submitted the report and assesses the outcome of the compliance case together with this person. Internal Audit is brought in to support investigative measures in particular. Keeping the CCO and Internal Audit independent of other departments ensures that potential breaches are investigated and assessed without bias. Complying with statutory provisions and internal policies and standards ensures the transparency and integrity of the complaints procedure.

The CCO notifies the CEO and the Audit Committee of the Supervisory Board about all reports and incidents, both on an ad hoc basis and at scheduled meetings. A standardized reporting procedure additionally ensures that findings are systematically, transparently, and promptly communicated to members of the Management Board and the Supervisory Board.

Moreover, early employee sensitization is a key element in the prevention of compliance breaches. All employees receive the Group's guidelines and policies during the onboarding process they complete before they join the company. This highlights the importance of compliance issues and helps to avoid operational losses and reputational damage. ElringKlinger conveys the necessary compliance understanding to its employees via the previously mentioned internal training program. As of December 31, 2025, 95.5% of employees subject to mandatory training held a valid compliance training certificate (amounting to 3,794 employees). Most of these employees had administrative or office roles. They also included employees in especially risk-laden roles, 95.7% of whom had completed the web-based training. Members of the Management Board who have completed the same training program also form part of this metric. Members of supervisory bodies are not required to complete compliance training, as it is tailored specifically to employees engaged in operational activities. The HR department is exclusively responsible for assuring the quality of this metric.

Complementing these measures, the internal control system forms another key pillar in ensuring regulatory compliance. It facilitates adherence to statutory requirements and internal policies. By putting control mechanisms in place throughout key business processes, ElringKlinger makes sure that its financial and non-financial reporting is done correctly, statutory requirements are met, and the company's values are upheld. This fosters transparency and systematically reduces the risk of rules being broken.

The principles in the Code of Conduct, which expressly forbids corruption and bribery, are essential elements of ElringKlinger's compliance culture. Since corrupt practices can have extremely severe consequences for the ElringKlinger Group, ElringKlinger's anti-corruption policy sets out additional regulations on preventing corruption and conflicts of interest and on handling gifts and gratuities of all kinds. ElringKlinger does not tolerate corruption or bribery along its supply chain either. This clear commitment is an explicit component of the Code of Conduct for suppliers.

Existing concepts are communicated via a number of communication channels. This increases employee awareness of the significance of compliance and knowledge of reporting obligations. The "Compliance" section on the intranet gives employees access to compliance-related information and policies. The process management platform also contains an overview of the compliance processes that have been implemented at ElringKlinger. The training described here additionally increases awareness of appropriate conduct. Another key element of the communication concept includes communicating the "tone-from-the-top" and "tone-from-the-middle" principle consistently at the various Group levels. Further information on this communication concept is provided in the section on ESRS S1-3 [\(link\)](#).

Metrics and targets

Incidents of corruption or bribery (G1-4)

ElringKlinger is not aware of any breaches associated with corruption or bribery in the parent company or any subsidiaries in 2025. Neither were any fines imposed. Thus the ElringKlinger Group deems the procedures set out in the section on ESRS G1-3 regarding preventing, uncovering, and combating allegations or instances of corruption and bribery to be effective, meaning that no further action had to be taken. ElringKlinger has not set any targets in relation to the prevention of corruption or bribery. This is because no additional management measures have been identified so far due to a very low level of risk and an absence of incident.

Appendix

The following table shows which transitional provisions listed in ESRS 1 Appendix C were applied to ElringKlinger in the reporting period.

ESRS	Disclosure requirement	Full name of disclosure requirement	Description
ESRS 2	SBM-1	Strategy, business model, and value chain	No breakdown of revenue by ESR sector
ESRS 2	SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	No presentation of anticipated financial effects
ESRS E1	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	No presentation of anticipated financial effects
ESRS E2	E2-6	Anticipated financial effects from material pollution-related risks and opportunities	No presentation of anticipated financial effects
ESRS E4	E4-6	Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	No presentation of anticipated financial effects
ESRS E5	E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	No presentation of anticipated financial effects
ESRS S1	S1-7	Characteristics of non-employees in the undertaking's own workforce	Datapoints of S1-7 are omitted
ESRS S1	S1-8	Collective bargaining coverage and social dialogue	Datapoints of S1-8 are omitted
ESRS S1	S1-11	Social protection	Datapoints of S1-11 are omitted
ESRS S1	S1-12	Persons with disabilities	Datapoints of S1-12 are omitted
ESRS S1	S1-14	Health and safety metrics	Datapoints of S1-14 are omitted in part
ESRS S1	S1-15	Work-life balance metrics	Datapoints of S1-15 are omitted

ESRS index:

Disclosure requirement	Title	Section
General disclosures		
ESRS 2 BP-1	General basis for preparation of the sustainability report	ESRS 2
ESRS 2 BP-2	Disclosures in relation to specific circumstances	ESRS 2
ESRS 2 GOV-1	The role of the administrative, management, and supervisory bodies	ESRS 2
ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies	ESRS 2
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	ESRS 2
ESRS 2 GOV-4	Statement on due diligence	ESRS 2
ESRS 2 GOV-5	Risk management and internal controls over sustainability reporting	ESRS 2
ESRS 2 SBM-1	Strategy, business model, and value chain	ESRS 2
ESRS 2 SBM-2	Interests and views of stakeholders	ESRS 2
ESRS 2 SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	ESRS 2
ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks, and opportunities	ESRS 2
ESRS 2 IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	ESRS 2
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	Sections in the respective specialist standards
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	Sections in the respective specialist standards
ESRS 2 MDR-M	Metrics in relation to material sustainability matters	Sections in the respective specialist standards
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	Sections in the respective specialist standards
ESRS E1 Climate change		
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	ESRS 2
E1-1	Transition plan for climate change mitigation	ESRS E1
ESRS 2 SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	ESRS E1
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	ESRS 2
E1-2	Policies related to climate change mitigation and adaptation	ESRS E1
E1-3	Actions and resources in relation to climate change policies	ESRS E1

Disclosure requirement	Title	Section
E1-4	Targets related to climate change mitigation and adaptation	ESRS E1
E1-5	Energy consumption and mix	ESRS E1
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	ESRS E1
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	ESRS E1
E1-8	Internal carbon pricing	ESRS E1
ESRS E2 Pollution		
ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks, and opportunities	ESRS 2
E2-1	Policies related to pollution	ESRS E2
E2-2	Actions and resources related to pollution	ESRS E2
E2-3	Targets related to pollution	ESRS E2
E2-4	Pollution of air, water, and soil	ESRS E2
E2-5	Substances of concern and substances of very high concern	ESRS E2
ESRS E4 Biodiversity and ecosystems		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	ESRS E4
ESRS 2 SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	ESRS E4
ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities	ESRS 2
E4-2	Policies related to biodiversity and ecosystems	ESRS E4
E4-3	Actions and resources related to biodiversity and ecosystems	ESRS E4
E4-4	Targets related to biodiversity and ecosystems	ESRS E4
E4-5	Impact metrics related to biodiversity and ecosystems change	ESRS E4
ESRS E5 Resource use and circular economy		
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks, and opportunities	ESRS 2
E5-1	Policies related to resource use and circular economy	ESRS E5
E5-2	Actions and resources related to resource use and circular economy	ESRS E5
E5-3	Targets related to resource use and circular economy	ESRS E5
E5-4	Resource inflows	ESRS E5
E5-5	Resource outflows	ESRS E5

Disclosure requirement	Title	Section
ESRS S1 Own workforce		
ESRS 2 SBM-2	Interests and views of stakeholders	ESRS 2
ESRS 2 SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	ESRS S1
S1-1	Policies related to own workforce	ESRS S1
S1-2	Processes for engaging with own workers and workers' representatives about impacts	ESRS S1
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	ESRS S1
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	ESRS S1
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S1
S1-6	Characteristics of the undertaking's employees	ESRS S1
S1-9	Diversity metrics	ESRS S1
S1-13	Training and skills development metrics	ESRS S1
S1-14	Health and safety metrics	ESRS S1
S1-16	Remuneration metrics (pay gap and total remuneration)	ESRS S1
S1-17	Incidents, complaints, and severe human rights impacts	ESRS S1
ESRS S2 Workers in the value chain		
ESRS 2 SBM-2	Interests and views of stakeholders	ESRS 2
ESRS 2 SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	ESRS S2
S2-1	Policies related to value chain workers	ESRS S2
S2-2	Processes for engaging with value chain workers about impacts	ESRS S2
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	ESRS S2
S2-4	Taking action 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 actions	ESRS S2
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S2

Disclosure requirement	Title	Section
ESRS G1 Business conduct		
ESRS 2 GOV-1	The role of the administrative, management, and supervisory bodies	ESRS 2
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	ESRS 2
G1-1	Business conduct policies and corporate culture	ESRS G1
G1-3	Prevention and detection of corruption and bribery	ESRS G1
G1-4	Incidents of corruption or bribery	ESRS G1

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

The table shows a structured overview of all datapoints resulting from ESRS 2 as well as the topic-specific ESRS standards and those based on other EU legislation. It indicates where this information can be found in the ElringKlinger Group's sustainability report and which items were classified as "not material" in the materiality assessment. This transparency helps to ensure that reporting is comprehensible, i.e., supportable, and clarifies the relevance of individual sustainability matters in the context of legal requirements.

Disclosure requirement	Datapoint	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Paragraph/Chapter
ESRS 2 GOV-1	21(d)	Board's gender diversity	■		■			ESRS 2 GOV-1
ESRS 2 GOV-1	21(e)	Percentage of board members who are independent			■			ESRS 2 GOV-1
ESRS G1 GOV-4	30	Statement on due diligence	■					ESRS 2 GOV-4
ESRS 2 SBM-1	40(d)i	Involvement in activities related to fossil fuel activities	■	■	■		Not material	
ESRS 2 SBM-1	40(d)ii	Involvement in activities related to chemical production	■		■		Not material	
ESRS 2 SBM-1	40(d)iii	Involvement in activities related to controversial weapons	■		■		Not material	
ESRS 2 SBM-1	40(d)iv	Involvement in activities related to cultivation and production of tobacco			■		Not material	
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				■		ESRS E1-1
ESRS E1-1	16(g)	Undertakings excluded from Paris-aligned Benchmarks		■	■			ESRS E1-1
ESRS E1-4	34	GHG emission reduction targets	■	■	■			ESRS E1-4
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	■					ESRS E1-5
ESRS E1-5	37	Energy consumption and mix	■					ESRS E1-5
ESRS E1-5	40–43	Energy intensity associated with activities in high climate impact sectors	■					ESRS E1-5
ESRS E1-6	44	Gross Scopes 1, 2, 3 and Total GHG emissions	■	■	■			ESRS E1-6
ESRS E1-6	53–55	Gross GHG emissions intensity	■	■	■			ESRS E1-6
ESRS E1-7	56	GHG removals and carbon credits				■		ESRS E1-7

Disclosure requirement	Datapoint	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Paragraph/Chapter
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			■		not reported (phase-in option)	
ESRS E1-9	66(a), 66(c)	Disaggregation of monetary amounts by acute and chronic physical risk/ Location of significant assets at material physical risk		■			not reported (phase-in option)	
ESRS E1-9	67(c)	Breakdown of the carrying value of real estate assets by energy-efficiency classes		■			not reported (phase-in option)	
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			■		not reported (phase-in option)	
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil	■				Not material	
ESRS E3-1	9	Water and marine resources	■				Not material	
ESRS E3-1	13	Dedicated policy	■				Not material	
ESRS E3-1	14	Sustainable oceans and seas	■				Not material	
ESRS E3-4	28(c)	Total water recycled and reused	■				Not material	
ESRS E3-4	29	Total water consumption in m ³ per net revenue on own operations	■				Not material	
ESRS 2 SBM-3 E4	16(a)i		■				Not material	
ESRS 2 SBM-3 E4	16(b)		■				Not material	
ESRS 2 SBM-3 E4	16(c)		■				Not material	
ESRS E4-2	24(b)	Sustainable land/agriculture practices or policies	■					ESRS E4-2
ESRS E4-2	24(c)	Sustainable oceans/seas practices or policies	■				Not material	
ESRS E4-2	24(d)	Policies to address deforestation	■				Not material	
ESRS E5-5	37(d)	Non-recycled waste	■					ESRS E5-5
ESRS E5-5	39	Hazardous waste and radioactive waste	■					ESRS E5-5
ESRS 2 SBM-3 S1	14(f)	Risk of incidents of forced labor	■					ESRS 2 SBM-3 S1
ESRS 2 SBM-3 S1	14(g)	Risk of incidents of child labor	■					ESRS 2 SBM-3 S1
ESRS S1-1	20	Human rights policy commitments	■					ESRS S1-1
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			■			ESRS S1-1

Disclosure requirement	Datapoint	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Paragraph/Chapter
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	■					ESRS S1-1
ESRS S1-1	23	Workplace accident prevention policy or management system	■					ESRS S1-1
ESRS S1-3	32(c)	Grievance/complaints handling mechanisms	■					ESRS S1-3
ESRS S1-14	88(b), 88(c)	Number of fatalities and number and rate of work-related accidents	■		■			ESRS S1-14
ESRS S1-14	88e	Number of days lost to injuries, accidents, fatalities, or illness	■					ESRS S1-14
ESRS S1-16	97(a)	Unadjusted gender pay gap	■		■			ESRS S1-16
ESRS S1-16	97(b)	Excessive CEO pay ratio	■					ESRS S1-16
ESRS S1-17	103(a)	Incidents of discrimination	■					ESRS S1-17
ESRS S1-17	104(a)	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	■		■			ESRS S1-17
ESRS 2 SBM-3 S2	11(b)	Significant risk of child labor or forced labor in the value chain	■					ESRS 2 SBM-3 S2
ESRS S2-1	17	Human rights policy commitments	■					ESRS S2-1
ESRS S2-1	18	Policies related to value chain workers	■					ESRS S2-1
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	■		■			ESRS S2-1
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8	■		■			ESRS S2-1
ESRS S2-4	36	Human rights issues and incidents connected to upstream and downstream value chain	■					ESRS S2-4
ESRS S3-1	16	Human rights policy commitments	■				Not material	
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles, or OECD guidelines	■		■		Not material	
ESRS S3-4	36	Human rights issues and incidents	■				Not material	
ESRS S4-1	16	Policies related to consumers and end-users	■				Not material	
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	■		■		Not material	
ESRS S4-4	35	Human rights issues and incidents	■				Not material	
ESRS G1-1	10(b)	United Nations Convention against Corruption	■					ESRS G1-1

Disclosure requirement	Datapoint	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Paragraph/Chapter
ESRS G1-1	10(d)	Protection of whistleblowers	■					ESRS G1-1
ESRS G1-4	24(a)	Fines for violation of anti-corruption and anti-bribery laws	■		■			ESRS G1-4
ESRS G1-4	24(b)	Standards of anti-corruption and anti-bribery	■					ESRS G1-4

Dettingen/Erms, March 24, 2026

Management Board



Thomas Jessulat
CEO



Isabelle Damen



Reiner Drews



Dirk Willers

Assurance report of the Independent German Public Auditor on a limited assurance engagement in relation to the combined separate non-financial report or the financial year from January 1 to December 31, 2025

To ElringKlinger AG, Dettingen an der Erms/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the combined separate non-financial report of ElringKlinger AG, Dettingen an der Erms/Germany, for the financial year from January 1 to December 31, 2025, combining the consolidated sustainability statement and the non-financial statement of the parent, for complying with Sections 289b to 289e, 315b and 315c German Commercial Code (HGB) including the disclosures for complying with the requirements under Article 8 of Regulation (EU) 2020/852 included in this separate non-financial report (hereafter referred to as “the Non-Financial Reporting”).

Not subject to our assurance engagement are

- the prior year’s disclosures marked as unassured,
- the references to information of the Company outside of the combined management report marked as unassured, as well as
- the references to external sources of documentation or expert opinions marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Non-Financial Reporting is not prepared, in all material respects, in accordance with Sections 289b to 289e, 315b and 315c HGB and the requirements of Article 8 of Regulation (EU) 2020/852, and the specifying criteria presented by the executive directors of the Company.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Non-Financial Reporting”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter – Principles of Preparation of the Consolidated Non-Financial Reporting

Without modifying our conclusion, we draw attention to the details provided in the Non-Financial Reporting, which describe the principles of preparation of the Non-Financial Reporting. According to these principles, the Company has applied the European Sustainability Reporting Standards (ESRS) to the extent described in section “Introduction” of the Non-Financial Reporting.

Responsibilities of the Executive Directors and the Supervisory Board for the Non-Financial Reporting

The executive directors are responsible for the preparation of the Non-Financial Reporting in accordance with the applicable German legal and further European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a non-financial reporting in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent reporting in the Non-Financial Reporting) or error. This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Non-Financial Reporting as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Non-Financial Reporting.

Inherent Limitations in Preparing the Non-Financial Reporting

The applicable German legal and European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Non-Financial Reporting. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Non-Financial Reporting is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Non-Financial Reporting.

German Public Auditor's Responsibilities for the Assurance Engagement on the Non-Financial Reporting

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Non-Financial Reporting has not been prepared, in all material respects, in accordance with the applicable German legal and European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the Non-Financial Reporting.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also

- obtain an understanding of the process used to prepare the Non-Financial Reporting, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Non-Financial Reporting.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Non-Financial Reporting.
- inquired of the executive directors and relevant employees involved in the preparation of the Non-Financial Reporting about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Non-Financial Reporting, and about the internal controls related to this process.
- evaluated the reporting policies used by the executive directors to prepare the Non-Financial Reporting.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Non-Financial Reporting.
- considered the presentation of the information in the Non-Financial Reporting.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Non-Financial Reporting.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” dated January 1, 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Stuttgart/Germany, March 24, 2026

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:	Signed:
Michael Sturm	Jan Joos
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Imprint

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