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NEOPERL GROUP SUSTAINABILITY REPORT 2025

PREPARED WITH REFERENCE TO THE EUROPEAN SUSTAINABILITY REPORTING STANDARDS

SUSTAINABILITY BEGINS WITH ENGINEERING

For more than 65 years, Neoperl has been driven by a simple idea: small innovations can make a meaningful difference. Today, our products help millions of people around the world use water more efficiently every day – contributing to the conservation of one of our most essential resources.

For Neoperl, sustainability begins with engineering. Our products influence how water is used in homes, public buildings and commercial applications worldwide. This gives us both an opportunity and a responsibility: to reduce water and energy consumption while maintaining the comfort, performance and reliability that users expect.

The cumulative impact of such innovations can be substantial. A study conducted by the Technical University of Berlin found that, over its service life, a single Neoperl flow regulator can save approximately 166 cubic metres of water – enough to fill more than one thousand bathtubs. At the same time, by reducing the energy required for hot water, it can avoid more than one tonne of CO₂ emissions¹. This demonstrates how focused engineering and practical innovation can make a measurable contribution to addressing global challenges through everyday applications.

We are also working to reduce the environmental impact of our own operations. In 2025, more than half of the energy consumed at our largest production site in Müllheim came from renewable sources. Across the Neoperl Group, our photovoltaic installations generated more than 2.6 GWh of renewable electricity, while renewable sources accounted for more than one third of our total energy consumption.

However, meaningful and lasting progress cannot be achieved within the boundaries of our company alone. It requires collaboration throughout the value chain. We are therefore working with suppliers, customers and partners to improve transparency, strengthen responsible business practices and integrate sustainability more systematically into product development and business decisions.

This report marks an important milestone for the Neoperl Group. For the first time, it provides a

consolidated overview of our sustainability activities, achievements and priorities across all our locations. It gives us a clearer understanding of our impact, shows where progress has been made and, just as importantly, where further action is required.

Sustainability is not a project with a defined end-point. It is a continuing responsibility and an integral part of how we develop products, operate our sites and make long-term decisions. We will continue to improve transparency, reduce our environmental footprint and use our engineering capabilities where they can create the greatest positive impact.

My sincere thanks go to our employees, customers, suppliers and partners for their commitment, trust and collaboration. Together, we will continue to demonstrate that innovation, responsibility and long-term thinking are the foundations of sustainable success.



Fabian Wildfang
Chief Technology Officer, Neoperl Group

¹ Q18

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1 ABOUT THIS REPORT

1.1 PURPOSE OF THIS REPORT

This Sustainability Report provides a consolidated overview of the Neoperl Group’s sustainability-related impacts, risks and opportunities for the 2025 reporting period, as well as its governance structures and management approaches. The report aims to increase transparency regarding the Group’s sustainability performance and to help stakeholders understand how material sustainability topics are managed across Neoperl’s global operations.

The report is based on the results of the Double Materiality Assessment and focuses on the sustainability matters identified as material for the Neoperl Group. It covers environmental, social and governance matters and includes qualitative and quantitative information on policies, actions, targets and performance indicators where available.

As Neoperl’s first consolidated Sustainability Report, this document will also serve as a foundation for further developing sustainability management, improving data quality and reporting processes and increasing transparency across the Group. The report is intended to support informed decision-making by customers, employees, business partners, financial institutions and other stakeholders, while also contributing to the continuous improvement of sustainability-related performance and reporting.



1.2 BASIS OF PREPARATION

This sustainability report has been prepared voluntarily with reference to the European Sustainability Reporting Standards (ESRS) applicable or published at the time of preparation. It does not claim full compliance with the ESRS. Where the report applies elements of subsequently amended or simplified ESRS, this is done voluntarily and is identified accordingly. Where disclosures are incomplete or methodologies are still being developed, this is stated in the respective topical chapters.

The reporting period corresponds to the calendar year from 1 January to 31 December 2025. Unless stated otherwise, all metrics and quantitative disclosures in this report relate to this period. Relevant developments after the end of the 2025 reporting period, including the refinement of the Double Materiality Assessment, the approval of the climate strategy and the water-risk screening conducted in 2026, are disclosed where they provide relevant context for the report.

Where applicable, sustainability information is consolidated at Group level. The reporting boundary for the Group's own operations comprises eleven reporting locations including our headquarters (Neoperl AG in Switzerland), due to its significant number of employees and its substantial share of the Group's trading business.

The geographical scope covers the reporting locations in Germany, Switzerland, Denmark, Italy, Bulgaria, the United Kingdom, the United States, Thailand and India, as well as the Jiangmen and Shanghai sites in China.

The specific data coverage may vary depending on the sustainability matter and metrics concerned. Any deviations in scope, data gaps or methodological limitations are disclosed in the relevant chapters.

The reporting boundary of this sustainability report differs from the consolidation boundary

applied in the Group's financial reports. Sustainability reporting currently focuses on Group headquarters as well as the reporting locations of the Neoperl Group, as these account for most of the Group's sustainability-related impacts, risks and opportunities, particularly in relation to environmental matters. Other sales, distribution and representative entities are not currently included due to their comparatively limited size and direct sustainability impacts (see Appendix 1).

Unless otherwise stated, the Group-wide policies, management systems, governance structures, management approaches, targets and actions described in this sustainability report apply across the Neoperl Group, including entities outside the defined reporting boundary.

In addition to the disclosures resulting from the Double Materiality Assessment, Neoperl has voluntarily included selected workforce-related disclosures (S1-6, S1-7, S1-8, S1-10, S1-11 and

S1-15) as supplementary information. These disclosures are presented to provide additional transparency on workforce-related matters.



NEOPERL INTERNATIONAL

On site everywhere.

- Brazil
- Bulgaria
- China (Hong Kong)
- China (Jiangmen)
- China (Shanghai)
- Denmark
- Germany
- India
- Italy (Cressa)
- Italy (Monza)
- Japan
- South Korea
- Spain
- Switzerland
- Thailand
- Turkey
- United Arab Emirates
- United Kingdom
- United States
- Vietnam

• Reporting locations



Company	Address	Country	Coordinates	Business activites	Product family	Annual Headcount	Share of net sales (reporting sites)	
Neoperl Bulgaria EOOD	33 Sveshtnik Pavel Atanasov Street, Dobrich, Bulgaria	Bulgaria	43°34.015' N, 27°48.302' E	Production	Hoses	432	10.9%	
Neoperl Faucet Components (Jiangmen) Co., Ltd.	No. 3, Yanan Industrial Zone, Yamen Town, Xinhui District, Jiangmen, GD 529149, China	China	22°17.857' N, 113°3.418' E	Production, warehouse	Aerators, Hoses, Check valves	270	8.3%	
Neoperl Faucet Components (Shanghai) Co., Ltd.	20F, No. 9 Donghu Rd., Xuhui District, Shanghai 200031, China	China	31°12.979' N, 121°27.210' E	Production, warehouse	Aerators, Check valves, Flow regulators	106	11.8%	
Neoperl Nordic A/S	Erhvervsparken 1, 8920 Randers NV, Denmark	Denmark	56°28.994' N, 9°54.661' E	Sales and distribution, production, warehouse	Hoses	30	2.4%	
Neoperl GmbH	Klosterrunstrasse 9–11, 79379 Müllheim	Germany	47°48.811' N, 7°36.287' E	Production, sales, distribution, research and development, warehouse	Hoses, Aerators, Check valves, Flow regulators	510	24.5%	
Neoperl India Pvt. Ltd.	Plot No. 29, Dynamic House, Ground Floor, Rear Building, Sector 18, Maruti Industrial Complex, Gurugram 122015, India	India	28°29.450' N, 77°4.260' E	Production, sales, distribution, warehouse	Aerators, Hoses, Check valves, Flow regulators	81	3.3%	
Neoperl Italia S.r.l.	Via Borgomanero 84, 28012 Cressa (Novara), Italy	Italy	45°39.326' N, 8°29.810' E	Production, sales, distribution, research and development, warehouse	Aerators, Hoses, Check valves, Flow regulators, Watertrain	135	12.0%	
Neoperl AG	Pfeffingerstrasse 21, 4153 Reinach	Switzerland	47°29.291' N, 7°35.683' E	Warehouse, packaging, sales and distribution		138	13.4%	
Neoperl Asia Pacific Co., Ltd.	7/572 Moo 6, Tambon Mabyangporn, Amphur Pluakdaeng, Rayong 21140, Thailand	Thailand	12°59.904' N, 101°13.782' E	Production	Aerators	56	5.8%	
Neoperl UK Ltd.	Enigma Park, Malvern, Worcestershire WR14 1GH, United Kingdom	United Kingdom	52°7.638' N, 2°18.174' W	Production, sales, distribution, research and development, warehouse	Flow regulators	153	3.7%	
Neoperl, Inc.	171 Mattatuck Heights Road, Waterbury, CT, USA	United States	41°32.310' N, 72°59.064' W	Production, sales, distribution, research and development, warehouse	Aerators, Check valves, Flow regulators	43	4.1%	

Table 1: Production sites and reporting boundaries

1.3 REPORTING SCOPE AND DATA AVAILABILITY

Scope of the Sustainability Report

The sustainability report considers material upstream and downstream value chain activities where relevant to the identified material impacts, risks and opportunities. These activities include suppliers and purchased materials, transportation and logistics, as well as selected product-related aspects across the product life cycle. The scope and level of detail of the information disclosed may vary depending on the sustainability matter concerned and the availability and reliability of the underlying data.

As a voluntary reporter, Neoperl applies a materiality-driven and risk-based approach to sustainability reporting. The sustainability report focuses on sustainability matters identified as material through the Double Materiality Assessment, as well as matters considered relevant in the context of the Group's business activities and the ex-

pectations of customers and other stakeholders. Sustainability matters and disclosures assessed as non-material are not reported comprehensively.

Sources of Sustainability Data

Sustainability information is compiled from a combination of environmental, energy, greenhouse gas, workforce, occupational health and safety, procurement, product, compliance and financial management systems, as well as local site reporting and established management processes. Data is collected by the responsible functions and reporting locations and consolidated centrally as part of the sustainability reporting process.

Where complete primary data is not available, estimates, assumptions, extrapolations or proxy methodologies may be applied. Material assumptions, data limitations and uncertainties are dis-

closed in the relevant topical sections where applicable.

Reporting processes and methodologies continue to evolve in line with the further development of sustainability reporting and sustainability management across the Group.

Neoperl prepares its sustainability report on a voluntary basis and in a structure aligned with the ESRS. As a voluntary first-time reporter, Neoperl has applied selected ESRS transitional provisions by analogy when determining the scope of the disclosures. These apply to the quantification of anticipated financial effects of material sustainability-related risks and opportunities and to selected workforce information, namely non-employees in the own workforce and collective bargaining coverage outside the European Economic Area (EEA). These disclosures will be added step by step in the coming reporting periods.



Sales, distribution and representative entities that are not included in the reporting boundary employed 45 employees in 2025. Based on their size and business activities, these entities were assessed as not significant in relation to the Group’s greenhouse gas emissions profile. Detailed information on the greenhouse gas reporting boundary and entities outside this boundary is provided in Appendix 1 and in Table A2.

In preparing this report, Neoperl has applied the ESRS provisions relating to partial reporting coverage of individual metrics and the use of information available without undue cost or effort. The resulting data limitations and reporting boundaries are described in the relevant topical chapters and methodological appendices.

These limitations primarily affect the completeness and granularity of selected sustainability metrics and value-chain disclosures. They do not affect the outcome of the Double Materiality Assessment or the identification of material sustainability matters.

This section should be read together with the relevant topical chapters and appendices, which provide additional information on assumptions, estimates, methodological limitations and planned improvements to data quality and coverage.



Certain Scope 3 categories, particularly Category 1 (Purchased Goods and Services) and Category 12 (End-of-Life Treatment of Sold Products), include annualized estimates for individual locations, as relevant procurement and product data became available only during the reporting year. Reporting for these categories therefore partly relies on extrapolations and proxy-based approaches.



1.4 SUSTAINABILITY GOVERNANCE

Neoperl's sustainability governance defines the responsibilities, decision-making processes and reporting lines for managing material sustainability-related impacts, risks and opportunities. It is integrated into the Group's existing governance and management structures.

1.4.1 Sustainability Governance Framework

The governance structure of the Neoperl Group comprises the Board of Directors, Group Management and a cross-functional Sustainability Board.

The Board of Directors consists of seven members, including the Chief Executive Officer (CEO), Oliver Denzler and the Chief Technology Officer (CTO), Fabian Wildfang of the Neoperl Group. Group Management comprises ten members representing Corporate Management, Finance, Operations, Human Resources, Research & Development, Quality and Information Technology.

The Sustainability Board supports the cross-functional coordination and management of sustainability matters. It comprises representatives from Finance, Operations & Supply Chain, Energy Management, Sustainability, Compliance, Human Resources, Research & Development and Quality Management.

Employee representatives are not members of the Board of Directors, Group Management or the Sustainability Board. Employee engagement is facilitated through local communication and participation processes, Human Resources functions and, where applicable, employee representative bodies.

Five of the seven members of the Board of Directors are considered independent, corresponding to 71.4% of its members. All members of the Board of Directors are male. Within Group Management, women represent 20.0% (2 of 8 members).

Neoperl does not currently collect additional diversity-related characteristics at the Board of Directors or Group Management level for sustainability reporting purposes.

Expertise and Information Flows

The Board of Directors, Group Management, the Sustainability Board and the relevant business functions contribute expertise in areas such as corporate management, finance, operations, supply chain management, human resources, compliance and sustainability. Where additional expertise is required, internal or external specialists may be involved.

Neoperl regularly reviews whether the competencies required to manage material sustainability-related impacts, risks and opportunities are available within the responsible bodies and business functions. This review takes place within the sustainability governance structure through the exchange between Group Management, the

Sustainability Board and the business functions involved. Where competency or knowledge gaps are identified, internal training, external advisory services, professional exchange and the involvement of specialized experts are used. New regulatory requirements, customer requirements and developments in the field of sustainability are monitored on an ongoing basis and considered in the further development of the required competencies.

Sustainability Management serves as the central coordination function for sustainability-related activities across the Group. It consolidates information from local management, Sustainability Coordinators and responsible business functions, coordinates sustainability reporting, monitors regulatory developments and conducts the Double Materiality Assessment.

The Sustainability Board supports Sustainability Management by reviewing material sustainabil-

ity-related impacts, risks and opportunities, assessing proposed targets and actions, and providing recommendations to Group Management. Significant sustainability-related developments are reported to Group Management and, where relevant, to the Board of Directors in accordance with the Group’s governance arrangements.

The Sustainability Board meets twice a year, including dedicated sustainability workshops, to review material sustainability matters, progress towards targets and the status of ongoing and planned actions.

Sustainability in Strategy and Decision-making

The CEO and CTO hold ultimate decision-making responsibility for material sustainability-related matters, including the consideration of sustainability-related impacts, risks and opportunities.

Sustainability Management prepares analyses and coordinates sustainability-related activities

across the Group. The Sustainability Board reviews material sustainability-related topics and provides recommendations to the Group Management, which considers these matters in relevant strategic and business decisions.

Strategic sustainability targets are developed by Sustainability Management, reviewed by the Sustainability Board and discussed within Group Management before approval by the CEO and CTO.

Operational implementation is carried out by local management, Sustainability Coordinators and the responsible business functions. The Global Chief Operating Officer (COO) oversees the implementation of approved sustainability-related actions across the Group’s reporting locations.

Material sustainability-related impacts, risks and opportunities are considered, where relevant, in corporate strategy, risk management, investment decisions and other management processes, considering the results of the Double Materiality

Assessment, regulatory developments and relevant stakeholder expectations.

Balancing Competing Objectives

In managing material sustainability matters, Neoperl considers potential trade-offs between sustainability objectives, economic requirements, quality requirements, customer requirements and occupational health, safety and workforce-related aspects. Examples include the balance between investment costs and long-term environmental benefits, between sustainability requirements for suppliers and procurement objectives, and between material efficiency, product quality and customer expectations. Such trade-offs are assessed within the Group’s management and decision-making processes.

1.4.2 Sustainability and Remuneration

Members of the Board of Directors, Group Management and other governance bodies are currently not subject to remuneration or incentive

schemes that are directly linked to sustainability targets or sustainability-related performance indicators.

1.4.3 Due Diligence Approach

Neoperl integrates key elements of a risk-based due diligence process into its sustainability governance framework. Material sustainability-related impacts, risks and opportunities are identified and assessed through the Double Materiality Assessment. The results inform the Group’s governance arrangements, relevant policies, actions, targets and metrics.

Implementation and ongoing monitoring are carried out by the responsible business functions, the Sustainability Board and Group Management, as described in the relevant sections of this sustainability report.

The following table indicates where the core elements and steps of the due diligence process are addressed in this sustainability report.

Due Diligence Process	Reference in the Sustainability Report
Identification and assessment of material impacts, risks and opportunities	1.5 Double Materiality Assessment
Integration of due diligence into governance and decision-making processes	1.4 Sustainability Governance
Management of material impacts, risks and opportunities	Topic-specific chapters: 3 Environment, 4 Social, 5 Governance
Monitoring the effectiveness of actions and measures	3 Environment, 4 Social, 5 Governance
Stakeholder engagement and consideration of stakeholder interests	2.4 Understanding Stakeholder Expectations, 1.5 Double Materiality Assessment, 4.1 Working at Neoperl, 4.6 Workers in the Value Chain, 4.7 Consumers and End-Users
Supplier and value-chain due diligence	4.6 Workers in the Value Chain, 5.2 Business Conduct Framework
Tracking and reporting on sustainability performance	1.3 Reporting Scope and Data Availability, 1.4 Sustainability Governance, 3 Environment, 4 Social, 5 Governance

Table 2: Due diligence process

1.4.4 Data Quality and Internal Controls

As part of its sustainability reporting process, Neoperl addresses risks relating to the completeness, integrity and accuracy of reported sustainability information. The risk management and internal control processes cover the reporting locations included in the reporting boundary and all disclosure areas presented in this sustainability report.

Data are collected by designated business functions and reporting locations and are subject to plausibility and consistency checks during the reporting process. Responsibilities for the provision, plausibility review and approval of data are defined for each topic area. Relevant metrics and qualitative disclosures are reviewed by the responsible business functions and by management prior to publication. Group Management oversees the reporting process and approves the material content of the sustainability report.

The internal control environment also includes defined governance responsibilities, compliance-related processes, mandatory training, the Code of Conduct and the existing Speak-Up Mechanism.

This applies to selected Scope 3 categories, where emissions data are partly based on estimates, average values or recognized emission factors. Estimation methods, data gaps and material uncertainties are documented, regularly reviewed for plausibility and disclosed in the respective topical chapters.

1.5 DOUBLE MATERIALITY ASSESSMENT

The Neoperl Group conducted its first Double Materiality Assessment in 2023 and has subsequently refined the methodology and assessment approach. The assessment forms the basis for identifying and prioritizing material sustainability-related impacts, risks and opportunities and for determining the content of this Sustainability Report.

1.5.1 Material Topics and Financial Effects

The material impacts, risks and opportunities identified through the Double Materiality Assessment are summarized in Table 4. They relate particularly to environmental impacts in the value chain, climate-related and resource-related risks, workforce matters, business conduct and opportunities associated with water- and resource-efficient products.

The financial effects associated with material sustainability-related impacts, risks and opportu-

nities have so far been assessed predominantly in qualitative terms. Due to the current maturity of the underlying methodologies and the availability of sustainability-related data, Neoperl is not yet able to provide sufficiently reliable quantitative estimates of current or expected financial effects.

Material sustainability-related risks and opportunities may affect, among others, operating expenses, procurement costs, energy costs, investments in property, plant and equipment, and revenue streams associated with water- and energy-efficient product solutions. The further development of data availability, assessment methodologies and risk analyses will support a more comprehensive evaluation of current and expected financial effects in future reporting periods.

Implications and Resilience for Strategy and Business Model

The results of the Double Materiality Assessment are reflected in Neoperl's sustainability strategy,

strategic action areas and related management processes. They support the prioritization of sustainability-related actions, resource allocation decisions and the further development of sustainability targets and initiatives.

The Double Materiality Assessment has identified key sustainability-related matters that are relevant for assessing the long-term resilience of the Group's strategy and business model, including climate-related risks, resource availability, regulatory developments, workforce-related matters and governance topics. Climate risk analysis will further strengthen the understanding of these factors.

1.5.2 Identification of Material Topics

The identification and assessment of impacts, risks and opportunities followed a structured, multi-stage process building on the Group's initial Double Materiality Assessment conducted

in 2023. The assessment was updated in 2026 to reflect internal developments, regulatory changes and additional information that became available since the initial assessment. Compared with 2023, impacts, risks and opportunities were assessed individually and assigned directly to the relevant ESRS sustainability matters. Existing topics were reviewed and updated where internal developments, external trends or expert assessments indicated potential changes in relevance.

Actual and potential positive and negative impacts, as well as financial risks and opportunities, were identified, documented and assessed individually and assigned to the relevant ESRS sustainability matters. Materiality was assessed at the level of individual impacts, risks and opportunities.

For impacts relating to human rights, the assessment followed the principle that severity takes precedence over likelihood. Positive and negative

impacts were assessed separately and were not offset against one another.

Involvement of Internal Functions and Approval

Sustainability Management coordinated the assessment and involved relevant business functions and reporting locations according to their respective areas of expertise. External advisers provided methodological support and contributed to the plausibility review of the assessment results.

Following internal review and validation, the results were approved by the CEO and CTO and provide the basis for prioritizing material sustainability matters, developing the sustainability strategy and determining the content of this Sustainability Report.

Scope and Value Chain

The assessment covered Neoperl’s own operations as well as relevant upstream and down-

stream value chain activities. Consideration was given to reporting locations, the workforce, raw material sourcing, resource availability and the product use phase.

Each identified impact, risk and opportunity was assigned to own operations, the upstream value chain or the downstream value chain. The methodology will continue to be enhanced over time, including further refinement of location- and activity-specific assessments where relevant.

Data and Information Sources

The assessment was based on internal documents, available quantitative data, existing analyses and the results of the previous materiality assessment. Regulatory developments, market and industry trends, societal developments and technological changes were also considered.

Where relevant, external studies, databases and guidance documents were used to support the assessment and plausibility review, particular-

ly for sustainability matters relating to the value chain. Such information served as contextual input and complemented company-specific information and internal expertise. Further information on the assessment methodology and the principal information sources used is provided in Appendix 2.

Assessment of Impact Materiality

Impact materiality distinguished between positive and negative as well as actual and potential impacts. Each impact was assessed using a scale from 0 to 5. The assessment categories, evaluation criteria and calculation approach applied within the Double Materiality Assessment are summarized in Table 3.

Negative impacts were assessed according to scale, scope and irremediable character or remediability. Positive impacts were assessed according to scale and scope. Irremediable character or remediability was not applied to positive impacts.

The criteria were included in the overall assessment without additional weighting. For potential impacts, the result was combined with the likelihood of occurrence. For actual impacts, the likelihood was set at 100%, corresponding to a factor of one.

Assessment of Financial Materiality

Financial risks and opportunities were assessed using the criteria summarized in Table 3. The assessment considered the potential magnitude of the financial effect and its expected duration. The resulting score was combined with the likelihood of occurrence. No additional weighting was applied.

Three time horizons were considered: short term (up to one year), medium term (more than one year and up to five years) and long term (more than five years).

Assessment Category	Criteria Considered	Calculation Treatment
Actual negative impacts	Scale, scope and irremediable character or remediability	Criteria included without additional weighting; likelihood set at 100% (factor 1)
Potential negative impacts	Scale, scope and irremediable character or remediability	Criteria included without additional weighting; result combined with likelihood
Actual positive impacts	Scale and scope	Criteria included without additional weighting; likelihood set at 100% (factor 1)
Potential positive impacts	Scale and scope	Criteria included without additional weighting; result combined with likelihood
Financial risks and opportunities	Magnitude and duration of the potential financial effect	Result combined with likelihood

Table 3: Overview of the DMA methodology

Materiality Thresholds

Separate materiality thresholds were applied to impact materiality and financial materiality. An impact was considered material if its impact materiality score exceeded 7.5 points. A financial risk or opportunity was considered material if its financial materiality score exceeded 12.5 points.

An ESRS sustainability matter was considered material if at least one related impact, risk or opportunity exceeded the applicable threshold. No average was calculated across the individual impacts, risks and opportunities assigned to the same sustainability matter.

Impacts, risks and opportunities below the applicable threshold were also documented, together with their assessment results and qualitative rationale. This supports future updates and enables changes in individual assessments to be tracked over time.

Documentation and Plausibility Review

Numerical assessments were supported by qualitative explanations describing the underlying judgement, assumptions and information sources. The results underwent several review, coordination and plausibility-checking stages before consolidation.

Methodological Limitations

The most reliable data and information currently relate to Neoperl’s own operations. Assessments concerning the upstream and downstream value chain were based on a combination of company-specific information, internal expertise and external sources where appropriate.

As part of the continuous enhancement of the Double Materiality Assessment methodology, further refinements are planned in the following areas:

- further specification of impacts in relation to stakeholder groups and environmental matters;
- enhanced differentiation of assessments by country, site and business activity where relevant;
- development of the assessment of Neoperl’s relationship to identified impacts;
- expanded consideration of dependencies on natural resources, employees, supply chains and other sustainability-related factors;
- further refinement of the distinction between inherent and managed impacts, risks and opportunities; and
- stronger integration of the Double Materiality Assessment with the Group-wide risk and opportunity management processes.

Future Review

Sustainability Management reviews the Double Materiality Assessment at least annually to determine whether updates are required. Relevant impacts, risks and opportunities are reassessed where material changes occur in business activities, regulatory developments, market conditions or underlying data.

A comprehensive update of the assessment methodology and results is planned on a regular basis and whenever significant changes in the business environment make this necessary.

1.5.3 Material Impacts, Risks and Opportunities

The Double Materiality Assessment identified the following material sustainability matters.

The following table summarizes the material impacts, risks and opportunities:



ESRS Topic	Material Impacts, Risks and Opportunities
E1 Climate Change	Greenhouse gas emissions from operations and the value chain; climate-related risks affecting operations and supply chains; increasing climate-related regulatory requirements; opportunities arising from water-, energy- and resource-efficient products
E2 Pollution	Potential air, water and soil pollution associated with raw material extraction, processing in the upstream value chain, and potential releases of hazardous substances from own operations
E3 Water	Water consumption associated with raw material extraction and processing; opportunities through water-efficient product solutions
E4 Biodiversity and Ecosystems	Potential impacts on biodiversity and ecosystems associated with raw material extraction and processing in the upstream value chain
E5 Resource Use and Circular Economy	Resource consumption across the value chain and increasing requirements relating to material transparency, recyclability and circular economy
S1 Own Workforce	Risks relating to workforce availability, retention and knowledge transfer; opportunities through attractive working conditions, remuneration, health and safety, and employee development
S2 Workers in the Value Chain	Potential human rights and labor-related impacts within the upstream value chain
S4 Consumers and End-Users	Positive impacts on drinking-water hygiene and consumer safety; opportunities through water- and energy-efficient products
G1 Business Conduct	Risks relating to corporate culture, compliance and governance

Table 4: Material impacts, risks and opportunities (DMA)

Exposure to risks relating to child labor and forced labor

Based on the nature of its products and the raw materials used in production, Neoperl may be indirectly exposed to elevated risks relating to child labor and forced labor in parts of the upstream value chain, particularly in connection with the extraction and processing of raw materials and other purchased materials. These potential risks were considered as part of the Double Materiality Assessment and contributed to the classification of Workers in the Value Chain as a material topic. At present, no confirmed cases of child labor or forced labor within Neoperl’s own operations are known.

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- 2.2 Company Profile
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- 2.4 Understanding Stakeholder Expectations

2 NEOPERL GROUP

2.1 WHO WE ARE



A Family-owned Company with a Global Presence

Neoperl is a family-owned company with Swiss and German roots, headquartered in Reinach, Switzerland. Over more than 65 years, the company has evolved from a specialized manufacturer into a globally operating group serving customers across the sanitary, plumbing and building technology industries. Today, Neoperl employs approximately 2,000 people and operates eleven reporting locations. Through its production, sales and distribution network, the Group is represented in 17 countries and supplies customers in more than 80 markets worldwide. Around 3,000 original equipment manufacturers (OEMs) and industrial customers rely on Neoperl's products, expertise and long-standing commitment to quality and reliability.

At the heart of Neoperl's business is the ambition to improve the way water is used and managed. As a technology leader in innovative water

solutions, the company develops products that enhance performance, comfort and safety while supporting the responsible use of drinking water. Through millions of products installed worldwide, Neoperl helps customers use resources more efficiently and address evolving technical and regulatory requirements.

While Neoperl has grown into a global organization, it remains guided by the values that have shaped the company since its foundation. As an independent family-owned business, Neoperl takes a long-term view in its decisions and investments, balancing economic success with environmental and social responsibility. This commitment influences how the company develops products, works with customers and partners, and creates opportunities for its employees. Rather than pursuing short-term gains, Neoperl strives to create lasting value for customers, employees, business partners and future generations.

Growing through Expertise and Customer Focus

Neoperl's development has been shaped by continuous learning, close customer relationships and a strong understanding of local market requirements. While operating globally, the company remains closely connected to the needs of regional markets, where regulations, technologies and user expectations can differ significantly.

By combining international expertise with local market knowledge, Neoperl has built long-term partnerships with customers around the world. This ability to understand challenges and translate them into practical, reliable solutions has supported the company's growth over more than six decades.

Engineering Excellence at Scale

Many of Neoperl's technologies remain largely invisible to end-users. Yet they play an essential role in ensuring comfort, efficiency, functionality

and reliability in millions of water-bearing applications worldwide.

In 2025, the Group produced approximately 580 million products, including aerators, flow regulators, hoses and check valves. This corresponds to more than 2.3 million products every working day. Although small in size, these components perform critical functions, helping to regulate water flow, optimize stream performance and protect drinking-water systems.

The combination of precision engineering, large-scale manufacturing and deep application expertise has made Neoperl a trusted partner for customers worldwide and a recognized technology leader in innovative water solutions.

Protecting Ideas, Creating Value

Innovation has been a defining characteristic of Neoperl since the company was founded. Today, the Group holds approximately 1,000 intellectu-

al property rights worldwide, including patents, trademarks, registered designs and utility models. For Neoperl, innovation includes manufacturing technologies, materials, quality management and collaborative approaches that help customers meet changing market requirements. Continuous investment in research, development and engineering expertise enables the company to improve existing solutions while developing technologies for future challenges.

This commitment to innovation supports Neoperl's long-term competitiveness and its contribution to the efficient and responsible use of drinking water.

Focus on Core Competencies

A defining characteristic of Neoperl is its commitment to focusing on what it does best. The company concentrates on investments and management attention on areas where it can create the greatest value for customers, while sourcing

selected activities externally where specialized expertise or greater efficiency is available.

This approach helps Neoperl remain agile, strengthen competitiveness and focus resources on its core strengths in technology, manufacturing and customer solutions. And by serving a broad range of customers across the industry, Neoperl acts as an independent and reliable partner trusted by many of the world's leading manufacturers.

The Principles that Guide Us

While technologies, markets and customer requirements continue to evolve, the values that guide Neoperl have remained consistent throughout the company's history.

OUR VALUES



Excellence

Excellence means never being satisfied with “good enough”. At Neoperl, it is reflected in the ambition to continuously improve products, processes and services, combining engineering expertise with a deep understanding of customer needs to create reliable solutions and lasting value.



Responsibility

Responsibility means thinking beyond the next quarter and considering the long-term impact of decisions – that goes for employees, customers, business partners and natural resources alike.



Passion

Passion is the drive to make things better. It can be seen in the curiosity of employees, the willingness to explore new ideas and the determination to solve challenges together. This mindset has helped Neoperl continuously evolve for more than six decades.

2.2 COMPANY PROFILE

2.2.1 Business Model

Neoperl develops, manufactures and distributes components and system solutions for sanitary and drinking-water applications. The Group serves international customers across the sanitary, building technology and water technology sectors, with revenue primarily generated through the sale of products and components.

Neoperl’s activities span research and development, procurement, manufacturing, quality management and global distribution.

2.2.2 Value Chain

Neoperl’s value chain comprises the sourcing of raw materials, components and services, its own development and manufacturing activities, and the integration and use of its products in sanitary and water-related applications.

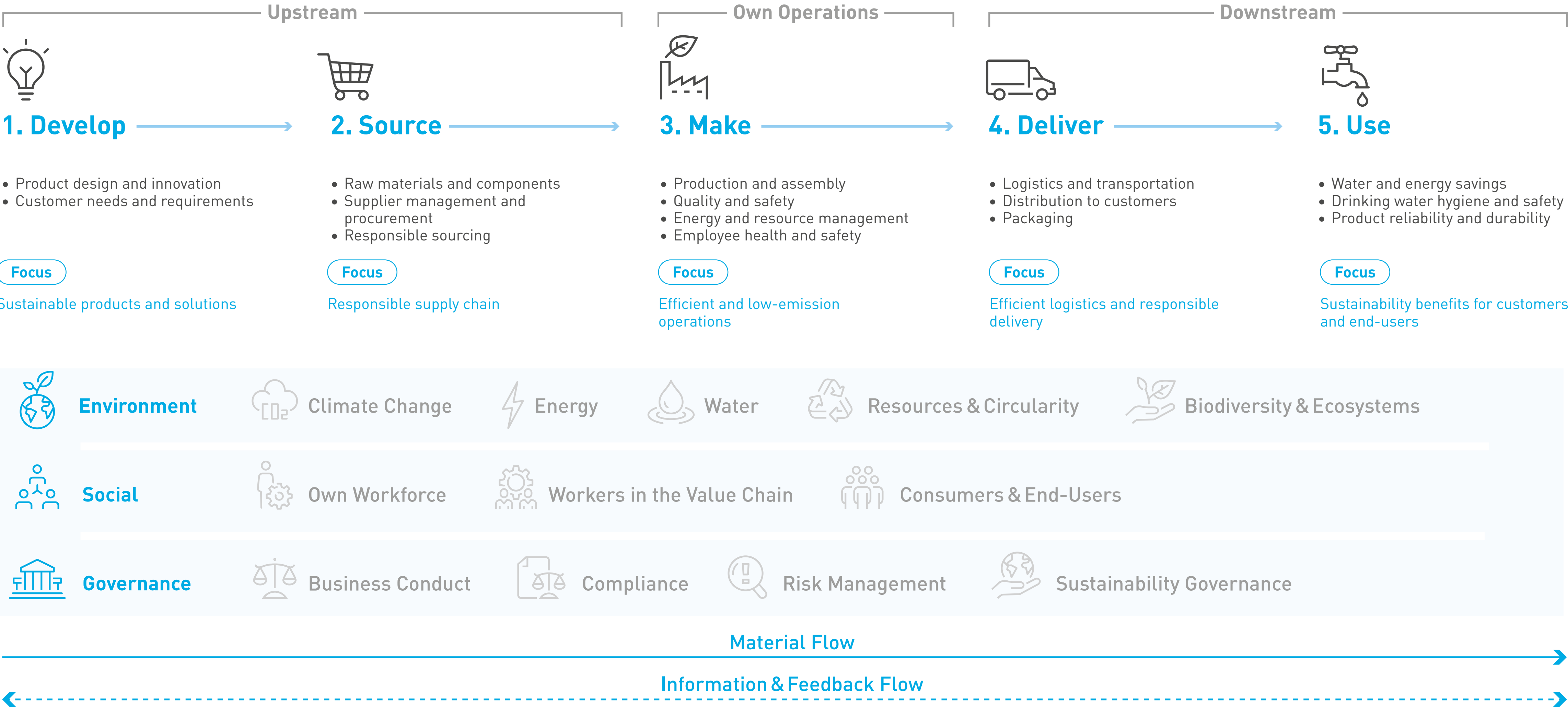
Material sustainability-related impacts, risks and opportunities arise particularly from raw materials, suppliers and logistics activities upstream and from water efficiency, drinking-water protection and product responsibility downstream. Supplier assessments, compliance processes and risk evaluation activities support the management of sustainability-related matters in the upstream value chain.

How Neoperl Creates Value for Customers

- safe drinking-water applications
- water-efficient products
- reliable product performance
- long product lifetime
- regulatory compliance
- support for customer sustainability requirements

Neoperl Value Chain

Sustainability impacts, risks and opportunities across our value chain





2.2.3 Product Groups and Sustainability Relevance

Aerators and flow regulators contribute directly to the efficient use of water by reducing water consumption while maintaining user comfort and functionality. In applications involving hot water, lower water consumption can also contribute to lower energy demand and associated greenhouse gas emissions.



Check valves support drinking-water protection by preventing backflow and reducing the risk of contamination within drinking-water systems. They therefore contribute to product-related objectives concerning drinking-water hygiene and consumer safety.



Hoses are relevant to sustainability-related objectives concerning material efficiency and resource conservation. Neoperl continuously evaluates opportunities to reduce material consumption through product design and material optimization while maintaining functionality, durability and product quality.



The Watertrain dry-faucet solution is intended to reduce material use and facilitate maintenance and component replacement, subject to the specific application and product configuration.

2.2.4 Significant Business Activities

Neoperl’s principal activities are associated with the manufacture and distribution of components and system solutions for sanitary and drinking-water applications.

For sustainability reporting purposes, the Group’s activities are primarily assigned to the following Statistical Classification of Economic Activities in the European Community (NACE) sector:



Business Activity

Manufacture of components and system solutions for sanitary and drinking-water applications

Classification

NACE Rev. 2.1

Code

28.14

Table 5: Main business activity NACE-sector 2025



These sectors are directly linked to the material sustainability matters identified through the Double Materiality Assessment, including climate change, pollution prevention, water stewardship, resource use and circular economy, responsible supply chains, product responsibility and drinking-water protection.

2.2.5 Activities in Specific Sectors

The Neoperl Group’s principal business activity is the development, manufacture and supply of components and system solutions for sanitary and drinking-water applications. Serving OEMs, industrial customers, distributors, retailers and end consumers, these activities contribute directly to material sustainability topics such as water

and energy efficiency, drinking-water protection, resource efficiency, climate action and responsible supply chain management.

In addition, Neoperl distributes and trades sanitary products through established distribution and retail channels. No significant changes to the Group’s principal business activities, markets or customer groups occurred during the reporting period.

We are not active in any of the following sectors:

- Fossil fuel sector, including coal, oil and gas
- Chemicals production under Division 20.2 of Annex I to Regulation (EC) No 1893/2006
- Prohibited weapons industry, including anti-personnel mines, cluster munitions, chemical weapons or biological weapons
- Cultivation and production of tobacco

2.3 STRATEGY

Neoperl’s sustainability strategy is based on the results of the Double Materiality Assessment and reflects the sustainability matters that are most relevant to the Group’s long-term business success and stakeholders.

As a company whose products support the efficient use of drinking water, sustainability has been embedded in Neoperl’s business model for decades. The strategy builds on this foundation and provides a framework for managing material sustainability-related impacts, risks and opportunities across the Group.

Sustainability-related considerations are integrated into product development, procurement and operational processes to support product quality, regulatory compliance, resource efficiency and long-term business resilience. This approach helps Neoperl respond to evolving customer requirements, regulatory developments and market expectations while maintaining high standards for drinking-water applications.

The strategy is implemented through five strategic action areas derived from the Double Materiality Assessment and supported by Group-wide targets, action plans and management processes.

Our Sustainability Ambition

By acting in an economically, environmentally and socially responsible manner, we aim to contribute to the sustainable use of water and resources, strengthen long-term business resilience and support the wellbeing of present and future generations. Our sustainability approach supports the achievement of the United Nations Sustainable Development Goals (SDGs), particularly SDG 6 (Clean Water and Sanitation), SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action) and SDG 17 (Partnerships for the Goals).

Neoperl’s Strategic Action Areas

Strategic Action Area	Strategic Focus	Related ESRS Topics	Related SDGs	
Climate action	Reduce greenhouse gas emissions, increase energy efficiency and renewable energy use, and strengthen climate resilience	E1	SDG 13	
Water & energy efficiency through products	Support efficient use of water and energy through product innovation and responsible water management	E1, E3, S4	SDG 6, SDG 13	 
People	Safe working conditions, employee development, employer attractiveness and workforce resilience	S1	SDG 8	
Responsible value chain	Human rights, labor standards, responsible sourcing and supplier engagement	S2, G1	SDG 8, SDG 12, SDG 17	  
Resource efficiency & circularity	Material efficiency, circular product design, recyclability and resource conservation	E2, E4, E5	SDG 12	

Table 6: Strategic action areas 2025

The United Nations Sustainable Development Goals (SDGs)² are used as a reference framework to illustrate how Neoperl’s strategic priorities and material sustainability topics contribute to broader sustainable development objectives.

² Q22

2.4 UNDERSTANDING STAKEHOLDER EXPECTATIONS



The consideration of stakeholder perspectives forms part of Neoperl’s Double Materiality Assessment and sustainability strategy development.

Neoperl conducted a stakeholder survey in 2023 as part of the Double Materiality Assessment. The survey included relevant stakeholder groups such as employees, customers, suppliers and other stakeholders and was used to identify and prioritize sustainability-related topics, impacts, risks and opportunities.

The results of the 2023 stakeholder survey were compared with the internally assessed impacts, risks and opportunities and used as an additional validation input. Relevant stakeholder feedback was considered where it indicated differing priorities, additional topics or the need to reassess existing impacts, risks and opportunities.

The stakeholder perspective was considered together with internal expertise, available company data, regulatory developments, market developments and external sources. The results contributed to the prioritization of material sustainability matters and the further development of Neoperl’s sustainability strategy. The results of the stakeholder engagement process and the Double Materiality Assessment were reviewed within the Sustainability Board and discussed with Group Management. Material stakeholder expectations were considered in the prioritization of sustainability matters, strategic decision-making and the development of sustainability-related actions and targets.

The following figure summarizes the results of the stakeholder survey conducted in 2023.



Figure 2: Results of the stakeholder survey 2023

The key stakeholder groups considered within the materiality assessment process are presented below.

Key Stakeholder Group	Type of Engagement	Main Interests and Views Related to Strategy and Business Model
Owners, Board of Directors and Group Management	Stakeholder survey, strategic discussions and materiality assessment process	Long-term business success, competitiveness, innovation, compliance, resource efficiency and sustainable business development
Employees and employee representatives	Stakeholder survey, internal communication and Human-Resources (HR)-related processes	Working conditions, employee development, diversity and inclusion, work-life balance and corporate culture
Customers and end-users	Stakeholder survey, customer interactions and market feedback	Product quality and safety, drinking-water protection, water and energy efficiency, transparency and sustainability performance
Suppliers and business partners	Stakeholder survey, supplier communication and procurement processes	Responsible sourcing, human rights, labor conditions, environmental performance and supply chain transparency
Financial institutions, auditors and certifiers	Reporting, audits and certification activities	Reliable sustainability information, regulatory compliance, transparency and risk management
Authorities, regulators and local communities	Regulatory interactions and stakeholder analysis	Environmental protection, legal compliance and responsible business conduct

Table 7: Key stakeholder groups and forms of engagement 2023

Stakeholder Relevance for Material Sustainability Topics

The interests and expectations of stakeholder groups were considered in the Double Materiality Assessment and the development of Neoperl’s sustainability strategy.

The table provides an indicative overview of selected topics addressed in the 2023 stakeholder survey. It reflects the stakeholder assessment conducted at that time and does not represent the complete set of sustainability matters subsequently identified as material through the Double Materiality Assessment.

Selected Topic	Relevant Stakeholder Groups (2023 Double Materiality Assessment)
Climate change	Management, employees, customers, suppliers, authorities
Water stewardship	Management, customers, suppliers, authorities
Own workforce	Management and employees
Responsible sourcing	Management, suppliers and business partners
Business conduct and transparency	Management, employees, customers, suppliers and authorities

Table 8: Stakeholder Relevance for Material Sustainability Topics

- 3.1 Climate Change
- 3.2 Pollution Prevention
- 3.3 Water Stewardship
- 3.4 Biodiversity and Ecosystems
- 3.5 Resource Use and Circular Economy

3 ENVIRONMENT

3.1 CLIMATE CHANGE

Climate change was identified as material in the Double Materiality Assessment from both an impact materiality and a financial materiality perspective. Material impacts result from direct and indirect greenhouse gas emissions from Neoperl’s own operations as well as from the upstream and downstream value chain. A systematic assessment of physical climate risks and climate-related transition risks has not yet been conducted and is planned to be developed step by step by 2027.

Overall responsibility for climate-related matters lies with the CEO and CTO. Sustainability Management coordinates the collection and consolidation of relevant data, the further development of the climate strategy and the implementation of approved measures. The Sustainability Board (see Chapter 1.4) supports the management of climate-related and other material sustainability matters.

The 2025 greenhouse gas inventory is the first Group-wide greenhouse gas inventory of its kind. It covers all eleven reporting locations (see Chapter 1.2). Data gaps remain for individual emission sources and are to be reduced gradually in the coming years.

The reporting period for the greenhouse gas inventory is the 2025 calendar year. Workshops to develop climate targets and measures took place in July 2026. The climate strategy was approved in August 2026 and will be further developed based on updated data.

3.1.1 Climate Strategy and Resilience

Neoperl approved a climate strategy as part of its overall sustainability strategy. The strategy provides a framework for addressing climate-related impacts, risks and opportunities across the Group and for supporting the gradual reduction of greenhouse gas emissions from operations and relevant parts of

the value chain. The base year for the climate targets and measures is 2025.

Neoperl does not yet have a climate transition plan containing all key features set out in ESRS E1-1. The climate strategy provides the foundation for the future development of such a plan. Based on the planned climate risk analysis and the further refinement of climate targets and measures, Neoperl intends to progressively develop its transition planning framework by 2027.

The current climate strategy focuses on improving transparency regarding greenhouse gas emissions, identifying decarbonization opportunities and implementing measures to reduce emissions from operations and selected Scope 3 categories. Key focus areas include energy efficiency, renewable energy, electrification, emissions transparency, responsible procurement and the gradual integration of climate-related considerations into business decisions.

Climate-related risks were considered qualitatively as part of the Double Materiality Assessment. Potential risk areas identified in this context include physical risks affecting reporting locations and supply chains, as well as transition risks arising from regulatory developments, energy availability, material availability and changing market expectations. These potential risks and opportunities were assessed primarily as medium- to long-term in nature.

A dedicated climate risk and scenario analysis has not yet been completed. Accordingly, the potential risks identified through the Double Materiality Assessment have not yet been systematically quantified using climate scenarios and no formal climate resilience assessment has been conducted. Planned Climate risk analysis covers relevant physical and transition risks and intends to use the results to further develop its climate strategy, resilience assessment and transition planning.

Main Emission Drivers (Categories)	t CO ₂ e	Share of Total Emissions
Purchased goods and services	56,902.70	64.41%
Upstream transportation and distribution	13,651.63	15.45%
Capital goods	6,250.22	7.07%
Purchased electricity (market-based)	4,971.00	5.63%
Employee commuting	3,150.67	3.57%
Fuel- and energy-related emissions	1,504.07	1.70%
Stationary combustion	925.92	1.05%
Other emissions (Scope 1, 2 and 3)*	988.68	1.12%
Total	88,344.90	100.00%

*Includes mobile combustion, fugitive emissions, electric vehicles, waste in operations and end-of-life treatment of sold products.

Table 9: Main internal and external emission drivers 2025

Climate-related matters are currently addressed through existing environmental and energy management processes, site-level environmental management systems and the actions defined in the Climate Action Plan. Detailed targets, actions and implementation measures are presented in the subsequent sections of this report.

The integration of climate-related considerations into product development and operations supports long-term product availability, supply-chain resilience and compliance with growing customer and regulatory requirements. This helps Neoperl maintain high standards for product quality, reliability and drinking-water applications while

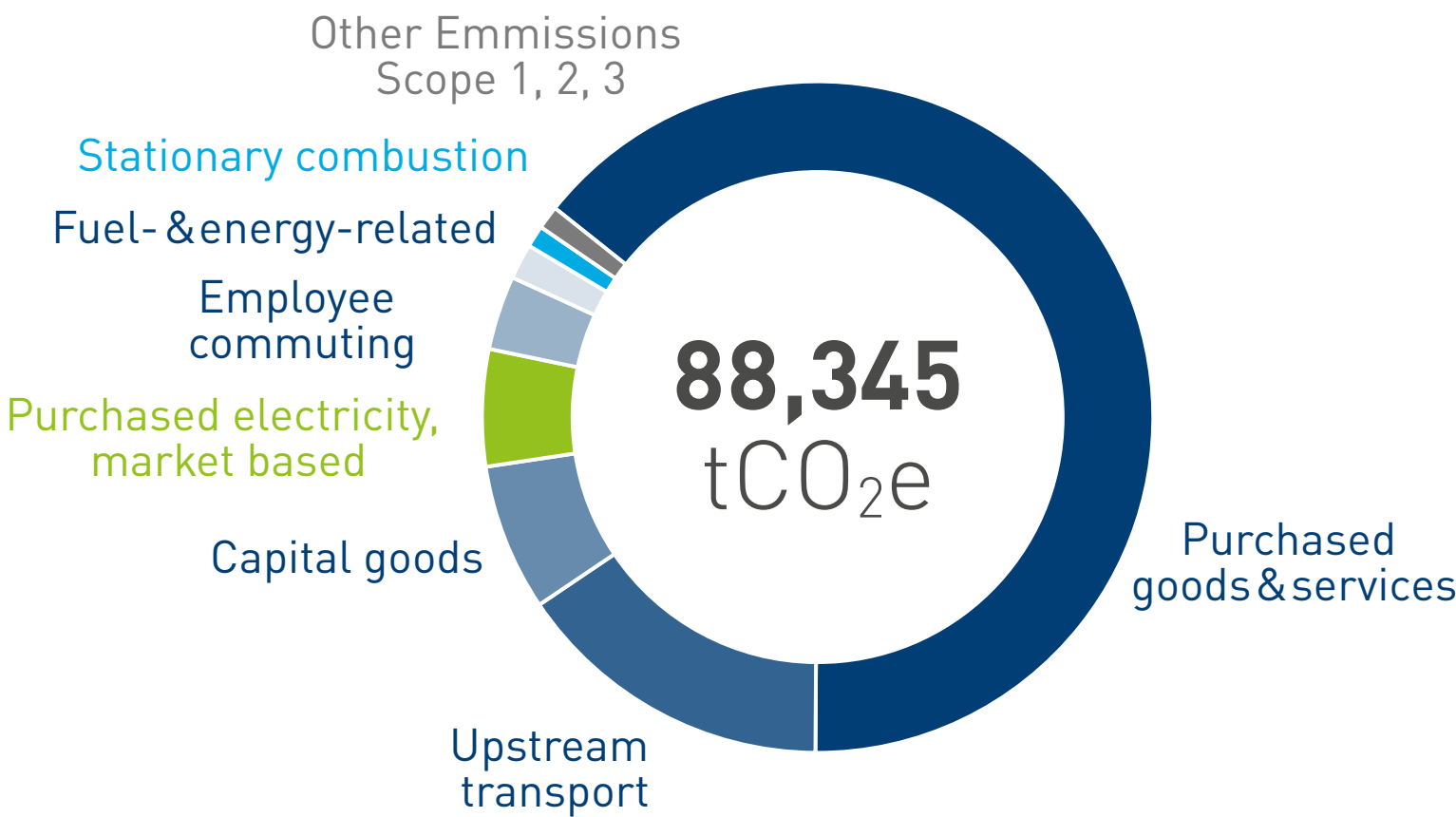


Figure 3: Main internal and external emission drivers 2025

responding to evolving market expectations. The main drivers of Neoperl’s greenhouse gas emissions are associated with purchased goods and services, upstream transportation and distribution, and capital goods. Together, these categories account for approximately 87% of total greenhouse gas emissions reported for 2025.

SCOPE 1, 2 AND 3 EMISSION CATEGORIES

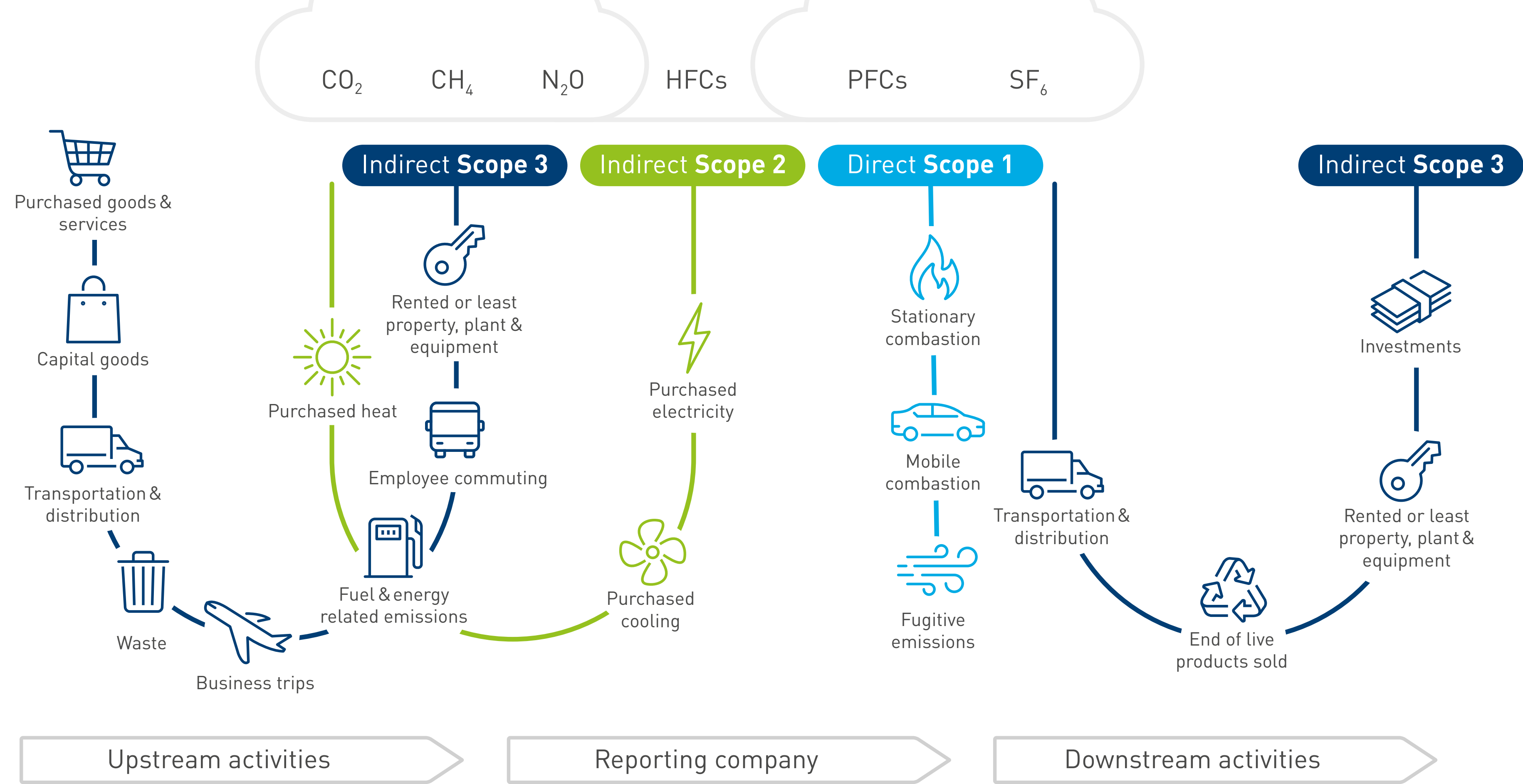


Figure 4: Overview of Scope 1, Scope 2 and Scope 3 Emissions

3.1.2 Energy Consumption and Mix

In 2025, total energy consumption in own operations amounted to 23,378.99 MWh. The Group's energy mix comprised fossil, renewable and nuclear energy sources, with fossil energy representing the largest share of total consumption. The distribution of energy consumption by source is presented in the following table:

The Group's total fossil energy consumption amounted to 13,098.77 MWh in 2025. Fossil energy consumption primarily consisted of natural gas (4,767.60 MWh), purchased fossil-based electricity and heat (7,395.85 MWh) and petroleum products (935.32 MWh). Renewable energy consumption amounted to 9,004.68 MWh and included both purchased renewable electricity and self-generated photovoltaic electricity. Nuclear energy consumption amounted to 1,275.54 MWh.

Energy infrastructure varies across locations and reflects local climatic conditions, operational requirements and available technologies. Heating systems include natural gas, heat pumps and electric heating solutions, while cooling require-

ments are met through air-conditioning systems where required. Photovoltaic installations are already in operation at several locations, supporting on-site renewable electricity generation. In addition, selected sites procure electricity from renewable sources.

Energy Consumption in Own Operations	MWh	Share of Total Energy Consumption
Fossil energy	13,098.77	56.03%
Nuclear energy	1,275.54	5.46%
Renewable energy	9,004.68	38.51%
Total energy consumption	23,378.99	100.00%

Table 10: Energy consumption own operations 2025

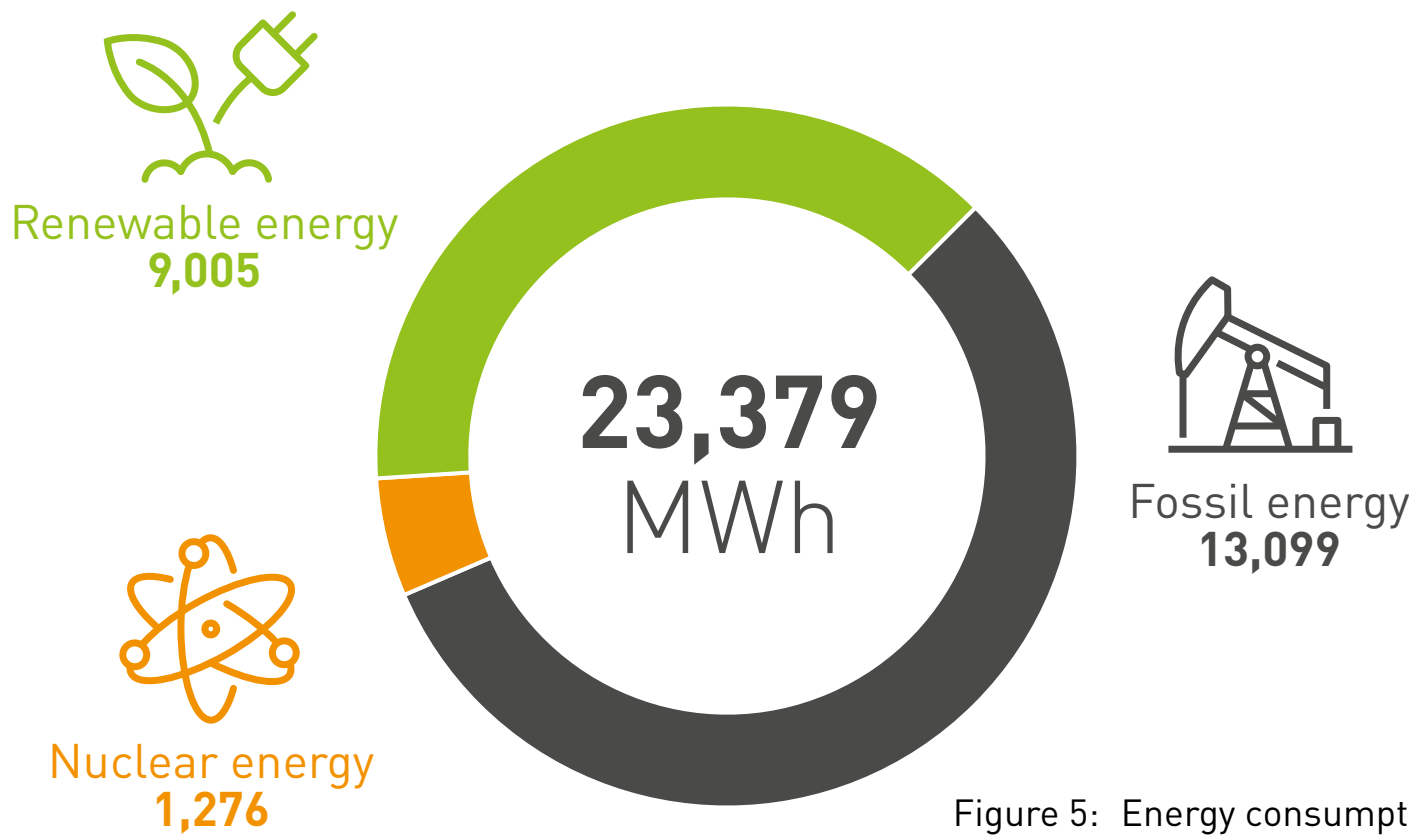


Figure 5: Energy consumption own operations 2025

Heating systems

- Natural gas: Germany, Denmark, Bulgaria, United Kingdom, United States and Italy
- Heat pump: Switzerland (Germany partially from 2027)
- Electric heating: China (Jiangmen and Shanghai)
- No relevant heating: Thailand and India

Cooling and air conditioning

- Air conditioning with refrigerants: Germany, Bulgaria, United Kingdom, United States, Thailand and India
- Electrically powered air conditioning: China (Jiangmen and Shanghai)
- No air conditioning: Switzerland, Denmark and Italy

Photovoltaic installations

- Germany, Switzerland, Bulgaria, United Kingdom, United States and Thailand

Renewable electricity procurement

- Germany, Denmark and Bulgaria

Selected sites generate electricity from on-site photovoltaic installations. In 2025, total renewable energy generation amounted to 2,608.10 MWh. The reported amount includes both self-consumed electricity and electricity fed into the grid. No non-renewable energy was generated during the reporting year.

Greenhouse Gas Emissions (GHG)

Greenhouse gas emissions were calculated in accordance with the Greenhouse Gas Protocol Corporate Standard³. Depending on the category, the calculation combined physical activity data, spend-based data and available supplier- or product-specific information. Further information on reporting boundaries, calculation methods, emission factors, energy methodology, assumptions, estimates and data limitations is provided in Appendix 3.

³ Q4

Scope 1 emissions comprise direct emissions from sources under the operational control of the included reporting locations. Scope 2 emissions are reported using both location-based and market-based approaches ⁴. The market-based approach reflects available guarantees of origin, contractual electricity information and supplier-specific electricity mix data.

Scope 3 emissions were assessed across all 15 Scope 3 categories in accordance with the

Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard ⁵. The assessment considered the relevance of each category to Neoperl’s business model, the expected magnitude of emissions, data availability and the reliability of the underlying information. Scope 3 emissions cover the material categories for which sufficient data were available to enable a reasonably reliable assessment. Categories 6 (Business Travel) and 9 (Downstream Transportation and Distribution) were assessed as material



⁴ Q6

⁵ Q5

but were not quantified for the 2025 reporting year due to insufficiently consistent Group-wide activity data. Category 13 (Downstream Leased Assets) was assessed as not material, as no relevant downstream leased assets were identified within Neoperl’s business model.

The assessment and reporting status of all 15 Scope 3 categories is presented in Table A4. Data quality and coverage will continue to be improved in future reporting periods.

None of Neoperl’s installations are covered by the European Union Emissions Trading System (EU ETS). Accordingly, 0% of reported Scope 1 emissions originate from installations subject to the EU ETS.

All reported Scope 1 and Scope 2 emissions relate to entities included in the Group’s reporting boundary. No Scope 1 or Scope 2 emissions from unconsolidated entities were reported for the 2025 reporting year.

The following table summarizes detailed GHG Emissions Inventory reported for the 2025 reporting year.

Location-based Scope 2 emissions amounted to 4,939.32 tCO₂e and are disclosed for transparency. They are not included in the market-based total shown in the table on the right.

A site-level breakdown of the included reporting locations is described in Appendix 3.

Most greenhouse gas emissions originated from Scope 3 categories, particularly purchased goods and services as well as upstream transportation and distribution.

Scope	Category	Emissions t [CO ₂ e]	Share of Total Emission
Scope 1.1	Stationary combustion	925.9	1.05%
Scope 1.2	Mobile combustion	263.9	0.30%
Scope 1.4	Fugitive emissions	215.4	0.24%
Scope 1	Total	1,405.3	1.59%
Scope 2.1	Purchased electricity, location-based	4,924.6	Not included in market-based total
Scope 2.2	Electric vehicles, location-based	14.7	Not included in market-based total
Scope 2.1	Purchased electricity, market-based	4,971.0	5.63%
Scope 2.2	Electric vehicles, market-based	13.7	0.02%
Scope 2	Total market-based	4,984.7	5.64%
Scope 3.1	Purchased goods and services	56,902.7	64.41%
Scope 3.2	Capital goods	6,250.2	7.07%
Scope 3.3	Fuel- and energy-related emissions	1,504.0	1.70%
Scope 3.4	Upstream Transportation and Distribution	13,651.6	15.45%
Scope 3.5	Waste	57.5	0.07%
Scope 3.7	Employee Commuting	3,150.6	3.57%
Scope 3.12	End-of-life treatment of sold products	437.9	0.50%
Scope 3	Total	81,954.8	92.77%
Total	Total emissions, market-based	88,344.9	100.00%

Table 11: Gross GHG emissions by Scope 1, Scope 2 and Scope 3 reporting locations 2025

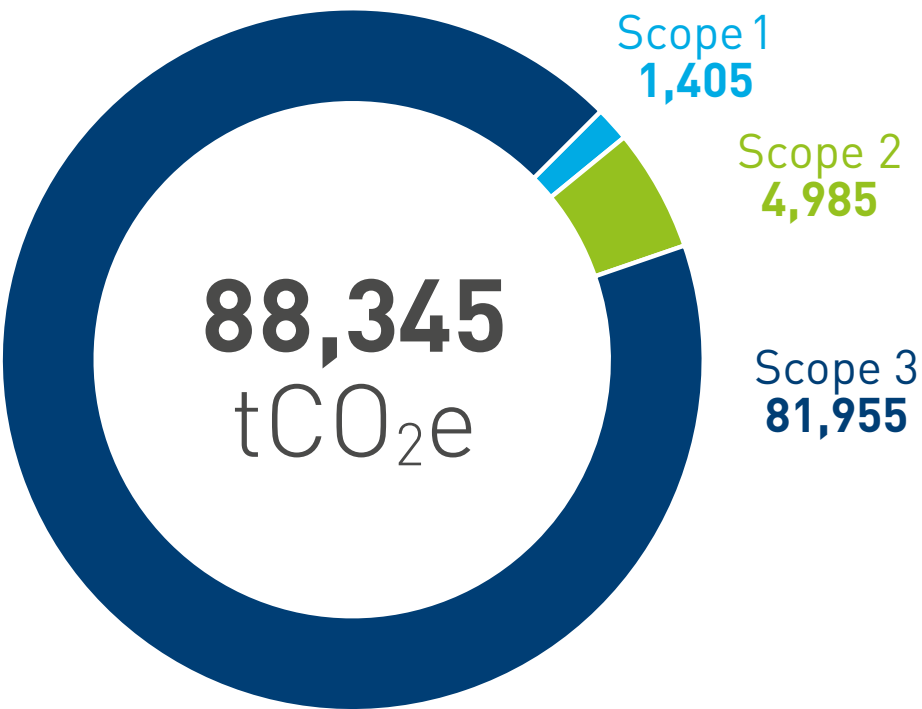


Figure 6: GHG emissions 2025

Scope 1 and Scope 2 emissions cover the reporting locations included in the reporting boundary. Direct biogenic Scope 1 emissions were immaterial in 2025 and are disclosed separately for transparency.

Emission Category	2025 Emissions* [t CO ₂ e]
Scope 1 Emissions	1,405.33
Scope 2 Emissions, market-based	4,984.73
Direct Biogenic Scope 1 Emissions	0.71

*no emissions outside the defined reporting boundary were included.

Table 12: Emissions Scope 1, 2 category 2025

3.1.3 Climate Targets, Resources and Actions

Neoperl’s climate targets and actions are based on the 2025 greenhouse gas inventory and focus on the main emission drivers identified at the reporting locations and in the value chain. For Scope 1 and market-based Scope 2 emissions, Neoperl has defined quantitative reduction targets for 2035, with the aim of reducing direct emissions from stationary and mobile combustion as well as electricity-related emissions. The main qualitative objectives are to improve the transparency and consistency of energy and emissions data, assess site-specific reduction options such as electrification, energy efficiency, renewable heat and photovoltaic solutions, and strengthen the monitoring of climate-related actions. For Scope 3, the current priority is to improve data quality, increase the availability of supplier- and category-specific information and create a consistent basis for future target-setting, particularly for purchased goods and services as well as upstream transportation and distribution.

Key action areas for Scope 1 emissions

- reduce emissions from stationary combustion
- assess electrification and renewable heat options
- improve transparency on fuel use and heating systems
- assess electrification options for vehicles and mobile equipment

Key action areas for Scope 2 emissions

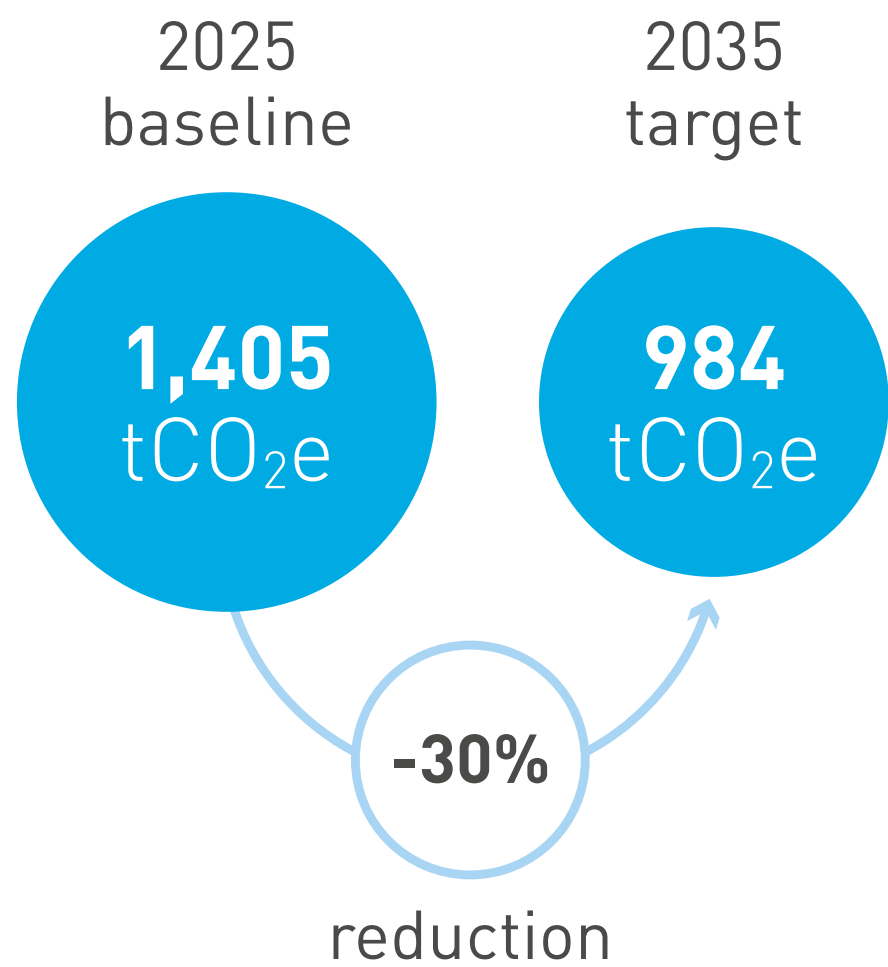
- reduce market-based electricity-related emissions
- assess renewable electricity options
- expand transparency on electricity sourcing
- continue assessing photovoltaic opportunities at selected reporting locations

Key action areas for Scope 3 emissions

- improve data quality and supplier-specific emission information as the basis for future target-setting

OUR CLIMATE TARGETS

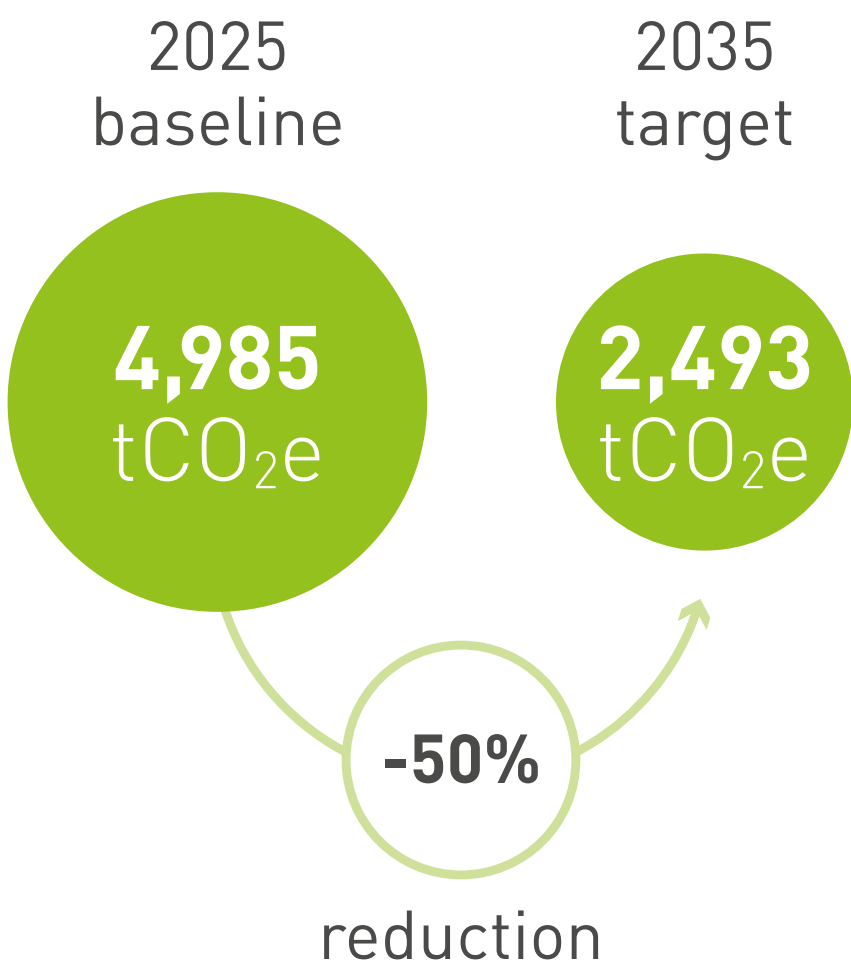
Scope 1 Emissions Direct Emissions



Approved target

We are committed to reducing our direct emissions by 30% by 2035 compared to 2025.

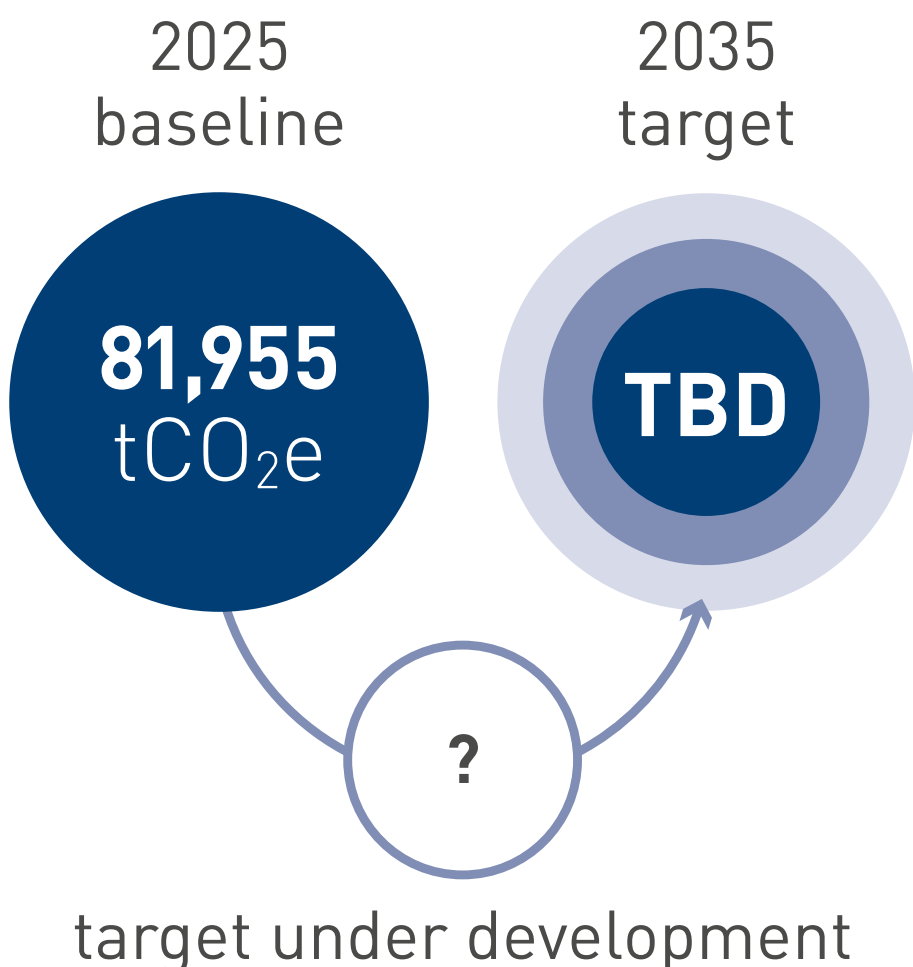
Scope 2 Emissions Indirect Emissions (Market-Based)



Approved target

We aim to reduce our market-based Scope 2 emissions by 50% by 2035 compared to 2025.

Scope 3 Emissions Other Indirect Emissions



Under development

We are currently developing our Scope 3 reduction target and will provide further details in due course.

Figure 7: Quantitative reduction targets- Scope 1, 2, 3

The table below highlights selected key action areas:

Scope and Emission Category	Key Action Area	Main Focus	Time Horizon
Scope 1 – Stationary combustion	Heating systems and process energy	Improve data quality, assess heat systems, evaluate electrification, waste heat and renewable heat options.	2026–2035
Scope 1 – Mobile combustion	Fleet and mobile equipment	Improve fuel and fleet data and assess electrification options for suitable vehicles and mobile equipment.	2026–2035
Scope 2 – Purchased electricity, market-based	Electricity sourcing and transparency	Review renewable electricity options and improve transparency on electricity sourcing.	2026–2035
Scope 2 – Photovoltaic electricity generation	On-site renewable electricity	Continue the use of existing photovoltaic installations and assess further site-specific photovoltaic opportunities.	Ongoing
Scope 3 – Purchased goods and services	Supplier and material data	Improve data quality for purchased materials and increase supplier-specific emissions information.	From 2027
Scope 3 – Upstream transportation, distribution and waste	Logistics and waste-related emissions	Improve transparency on transport and waste-related emissions and assess reduction options with logistics partners and waste service providers.	From 2027

Table 13: Key action areas per Scope

Barriers, Dependencies and Further Development

The implementation of emission-reduction measures depends on technical feasibility, the availability of suitable technologies, investment and operating costs, site-specific conditions and energy infrastructure. For value chain emissions, Neoperl also depends on external partners, particularly in relation to reliable emissions data, supplier and logistics capabilities, and their willingness and ability to implement reduction measures.

Limited data availability and different maturity levels of climate management across the value chain may make it more difficult to identify, assess and implement suitable measures. Economic, regulatory and market conditions may also affect the prioritization and timing of individual actions.

These barriers and dependencies are reviewed as part of the further implementation of the climate strategy and considered in the assessment, prioritization and development of reduction measures.

3.1.4 Future Development

Neoperl plans to further refine the climate strategy in 2027. This includes reviewing the existing emissions targets, assessing long-term target-setting towards 2050 and adding an assessment of locked-in emissions. For relevant Scope 3 categories, quantitative reduction targets are to be developed step by step once the database is more robust.

Neoperl generally follows decarbonization pathways, but no formal validation or commitment under an external framework is currently planned. Scope 3 reductions remain dependent on external factors, including suppliers, the availability of suitable materials and technologies, logistics systems and broader market developments.

Climate action and economic performance are considered together when developing and implementing the climate strategy. Measures are prioritized based on their expected greenhouse gas reduction potential, technical feasibility, economic viability, impact on security of supply, quality requirements and operational conditions.

3.1.5 Emissions Intensity

Indicator	Unit	2025
Total GHG emissions (Scope 1, 2 market-based, 3)	t CO ₂ e	88,344.90
Production volume	t	8,841.88
Employees (headcount)	number	1,956
Emission intensity per tonne produced	t CO ₂ e/t	9.99
Emission intensity per employee	t CO ₂ e/employee	45.17

Table 14: Emission intensity 2025

The definition of production volume and the treatment of partial-year data are described in Appendix 3.

As 2025 is the base year for Neoperl’s climate accounting, no comparative figure for the previous year is available.

3.1.6 Greenhouse Gas Removals, Carbon Credits and Internal Carbon Pricing

Neoperl does not currently carry out its own projects for the removal or permanent storage of

greenhouse gases. Carbon credits or other emission offsets were not reported for 2025 and are not currently planned as instruments to achieve the reduction targets. Neoperl does not currently apply an internal carbon price in investment, procurement or planning decisions, and the introduction of an internal carbon pricing mechanism is under discussion.

3.1.7 Anticipated Financial Effects

Future climate risk analysis will provide the basis for quantifying anticipated financial effects in future reporting periods.

3.2 POLLUTION PREVENTION

3.2.1 Materiality and Scope

Pollution covers potential impacts on air, water and soil arising from Neoperl’s own operations and its upstream and downstream value chain. For the Neoperl Group, the focus is on material- and substance-related environmental impacts associated with the extraction and processing of raw materials.

The Double Materiality Assessment identified the following material-negative impacts:

Air pollution: Potential air pollutant emissions associated with the extraction and processing of metals and plastics in the upstream value chain.

Water pollution: Potential impacts on surface water and groundwater resulting from the extraction and processing of metals and plastic-based materials in the upstream value chain.

Soil pollution: Potential soil-related impacts associated with raw material extraction and materi-

al processing in the upstream value chain, as well as possible releases of hazardous substances from Neoperl’s own operations.

The identified material impacts therefore relate primarily to the upstream value chain. Within Neoperl’s own operations, relevant matters include hazardous substances, wastewater, operational emissions and the progressive substitution of substances of concern.

3.2.2 Policies Related to Pollution

Neoperl manages pollution-related impacts and risks through existing environmental management systems, site-specific environmental processes and product- and material-related compliance requirements.

Several reporting locations operate environmental management systems certified according to ISO 14001. These systems provide a framework for managing environmental aspects, legal ob-

ligations, hazardous substances, wastewater, emissions and emergency situations.

Neoperl’s approach focuses on:

- preventing and reducing potential releases into air, water and soil;
- complying with applicable environmental and substance-related requirements;
- managing hazardous substances within production processes;
- monitoring regulated substances in materials and products; and
- progressively substituting critical substances where technically feasible.

Product- and material-related requirements are considered in material selection, product development, product approval and chemical compliance processes. This is particularly relevant for products and components intended for contact with drinking water.

Substances of very high concern (SVHC) are monitored through existing Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), material compliance and product conformity processes. Available supplier and material information is used to assess regulated substances and fulfill applicable information and notification obligations. The related processes are established and a harmonized approach across the Group is under development.

Further information on environmental management systems, chemical compliance processes and certification coverage is provided in Table A7 and Table A8.

3.2.3 Actions, Targets and Resources Related to Pollution

Neoperl implements measures to prevent or reduce potential pollution and substance-related impacts. The principal action areas are summarized in the table on the right.

The measures are implemented by the responsible functions for environmental management, sustainability, production, quality, chemical compliance and product approvals. At certified sites, the existing ISO 14001 systems provide the organizational basis for managing and continuously improving environmental processes. Relevant pollution prevention measures are integrated into existing operational and environmental management activities and are reviewed as part of ongoing compliance and improvement processes.

Action Area	Measure	Time Horizon	Status
Hazardous substance and environmental management	Management of hazardous substances, wastewater monitoring and site-level emergency procedures	Ongoing	Established through site-level environmental management processes
Substance transparency and material compliance	Collection and assessment of relevant material and substance information from suppliers	Ongoing	Established; harmonization of data collection in implementation from 2026
Regulatory substance requirements	Registration of affected products in the substances of concern in articles, registration of affected products in the SCIP database and implementation of applicable REACH requirements	Ongoing	Established
Environmental management	Audits, training and continuous improvement of environmental processes	Ongoing	Established at certified sites; further certifications planned from 2027

Table 15: Action areas relating to pollution 2025

3.2.4 Targets Related to Pollution

Neoperl has defined two substance-related targets that are intended to reduce potential environmental and health-related risks and support the protection of drinking-water quality.

At present, additional Group-wide quantitative targets for pollutant emissions or releases to air, water or soil are under discussion. As the availability of environmental and substance-related data improves, Neoperl will assess whether further metrics and quantitative targets should be introduced.

Target	Baseline / Reference	Target Year	Status 2025
Progressive conversion of drinking-water-contact components to lead-compliant alternatives	Baseline under specification	2028	In progress
Substitution of per- and polyfluoroalkyl substances (PFAS)-containing lubricants and auxiliary materials with suitable alternatives	Baseline under specification	2028	In progress

Table 16: Targets related to pollution

Pollution of Air, Water and Soil

Relevant emissions, wastewater streams, hazardous substances and environmental incidents are monitored at production-site level in accordance with applicable legal requirements and existing environmental management processes. A Group-wide harmonized methodology is under implementation for future reports.

Based on the currently available site information, no material pollutant releases resulting from reported environmental incidents were identified during the reporting period.

Microplastic

Based on current knowledge, Neoperl does not manufacture or place primary microplastic particles on the market as products. Plastic materials and polymers are used in certain production processes and products; however, no material impacts, risks or opportunities relating to primary

microplastics were identified through the Double Materiality Assessment.

Neoperl continues to monitor regulatory developments and scientific findings relating to microplastics and product-related environmental impacts. At present, no Group-wide quantitative information is available regarding potential microplastic releases across the product life cycle.

3.2.5 Hazardous Substances and Chemical Compliance

Scope of Application

Neoperl’s principal business activity is the manufacture of technical products and components. As a manufacturer of products whose function is primarily determined by their design, shape and technical characteristics rather than their chemical composition, the Group is not a manufacturer or formulator of chemical substances or mixtures and does not conduct wholesale trade in chemical substances.

The disclosures therefore focus on substances of very high concern (SVHC) and compliance-related substance requirements relevant to materials, components and products.

SVHC in Production Processes

Neoperl monitors substances of very high concern through existing REACH, material compliance and product conformity processes. A consolidated quantitative approach for reporting the use of substances of very high concern in production processes is being developed for future reports. Based on the environmental monitoring and compliance information available at site level, there were no indications of material direct releases of SVHC to air, water or soil based on the site-level information available.

SVHC in Components and Products

Based on currently available supplier and material information, lead in certain brass alloys has been identified at concentrations above the applicable threshold of 0.1% by weight.

Neoperl fulfills the applicable information requirements under Article 33 of the REACH Regulation and submits SCIP notifications where required. Required SCIP notifications have been submitted for relevant articles where applicable. No additional reportable substances from the current REACH Candidate List above the applicable threshold were identified in the reviewed products based on the available supplier and material information.



3.3 WATER STEWARDSHIP

3.3.1 Materiality and Scope

Water and marine resources cover the potential impacts of Neoperl’s operations and value chain on water resources, as well as associated risks and opportunities.

The Double Materiality Assessment identified the following material water-related matters:

Negative impact on water resources: Potential impacts associated with the water-intensive extraction and processing of brass, stainless steel and other materials in the upstream value chain.

Existing water-footprint analyses identified upstream material supply chains, particularly purchased metals, as the principal drivers of water-related impacts within the value chain⁶.

Opportunity related to water consumption: Market opportunities arising from increasing demand for water-efficient product solutions that can reduce

water consumption and, in hot-water applications, energy demand during the use phase.

The identified negative impacts relate primarily to the upstream value chain. Opportunities arise mainly during the downstream use phase of Neoperl products.

3.3.2 Policies Related to Water

Neoperl manages water-related impacts, risks and opportunities through existing environmental management systems, site-level environmental processes and product- and material-related requirements.

Relevant operational topics include freshwater withdrawal, water consumption, wastewater, water quality and compliance with water-related legal requirements. Several reporting locations operate ISO 14001-certified environmental management systems or comparable environmental management processes. Water-related consider-

ations are integrated into site-level environmental management, risk assessments and compliance processes.

Water-Related Product Contributions

Water-related considerations are also integrated into product development and product conformity processes. Water-saving product solutions are intended to contribute to reduced drinking-water consumption during the use phase and, in hot-water applications, to reduced energy demand. In addition, check valves support the protection of drinking-water quality by reducing the risk of contaminated water flowing back into drinking-water systems.

These product-related benefits represent the most significant water-related opportunity identified through the Double Materiality Assessment and are closely linked to Neoperl’s business model and product portfolio.

Water Stress and Future Development

An initial water stress screening was conducted using the WWF Water Risk Filter ⁷. Based on the current assessment, the production site in India is in an area with high water-related risk, while the sites in Thailand and Shanghai are in areas with medium water-related risk. All other reporting locations were assessed as having low or very low basin-related water risk. Detailed results of the screening are presented in Table A11.

Water consumption in Neoperl’s own operations is comparatively low and primarily related to cleaning, cooling, sanitary facilities and selected production processes. The most significant water-related impacts identified through the Double Materiality Assessment relate to upstream raw material extraction and processing rather than to water consumption in Neoperl’s own operations.

⁶ Q29

⁷ Q15–Q17



The current assessment is based on publicly available basin-level indicators and represents an initial screening. Neoperl intends to further develop site-specific water risk assessments and integrate operational water data and local mitigation measures into future assessments.

For the current location in India, separate water data are not available because the site operates within a leased facility. A new site is planned from 2026/2027 onwards, which is expected to improve water monitoring and the implementation of site-specific water management measures.

3.3.3 Actions and Resources Related to Water

Neoperl monitors freshwater withdrawal and wastewater volumes at relevant reporting locations. Site-level measures include water metering, discharge monitoring and controls intended to prevent water-related environmental impacts.

Water-related aspects are also considered in product development, material selection and product approval processes. Neoperl develops water-saving product solutions and components that support the responsible use of water resources and the protection of drinking-water quality.

Existing and future water-footprint analyses can support the identification of relevant water-related hotspots along the value chain and provide a basis for the further development of measures to reduce water-related impacts and improve resource efficiency.

Action Area	Measure or Approach	Time Horizon	Status/ Data Basis
Site water management	Monitoring of freshwater withdrawal, water consumption, wastewater and relevant discharges	Ongoing	Water meters, wastewater analyses and site-level controls
Water-efficient products	Development and improvement of water-saving products and products supporting drinking-water protection	Ongoing	Product development and product portfolio
Water impacts in the value chain	Use of water-footprint analyses to identify relevant water-related hotspots	Ongoing	Existing water-footprint analyses

Table 17: Action areas water management 2025

Implementation is carried out by the responsible functions for environmental management, sustainability, production, quality, product compliance and product approvals within existing management systems.

A dedicated Group-wide investment program exclusively for water-related measures is under alignment. Water-related risks are currently managed through existing environmental management processes and site-level controls.

3.3.4 Targets Related to Water

Consistent with the current maturity of the Group’s water-related data, the focus remains on establishing a reliable understanding of water consumption, wastewater generation and water-related impacts across operations and the value chain.

The Group nevertheless pursues the following overarching objectives:

- Promote the responsible use of water resources.
- Protect drinking-water quality through product design and product compliance processes.
- Support the efficient use of water through water-saving product solutions.
- Improve the transparency of water-related impacts, risks and opportunities across the value chain.
- Further develop the assessment of water stress and water-related risks at site level.

Additional qualitative or quantitative targets may be established in future reporting periods once the underlying water-related data are sufficiently robust and consistent across reporting sites.

3.3.5 Water Performance Indicators

Water-related data are collected at production-site level and consolidated for Group reporting. Depending on the site, the available information is based on measurements, estimates or a combination of both. The reported water consumption is calculated as the difference between freshwater withdrawal and water discharge.

The figures are based on measured values, estimates or a combination of both, depending on site-specific data availability.

Metric	Unit	2025
Freshwater withdrawal	m³	16,874.70
Water discharge	m³	15,395.90
Calculated water consumption	m³	1,478.80
Water recycled and reused*	m³	Not available

* Water reused: Not available. Water recycling and reuse are not yet recorded consistently across reporting locations.

Table 18: Water metrics 2025

Detailed site-level information on freshwater withdrawal, water discharge, calculated water consumption and data limitations is presented in Table A9.

3.4 BIODIVERSITY AND ECOSYSTEMS

3.4.1 Materiality and Scope

Biodiversity and ecosystems cover the potential impacts of Neoperl’s operations and value chain on biological diversity, habitats and ecosystem functions.

The Double Materiality Assessment identified the following material impact:

Potential negative impacts on habitats, biodiversity and ecosystem functions associated with the extraction and processing of raw materials and other key materials used in the upstream value chain.

The identified biodiversity-related impact therefore primarily relates to the upstream value chain. The main areas of relevance are the extraction, processing and sourcing of raw materials and the potential effects of these activities on natural habitats and ecosystem functions.

3.4.2 Biodiversity Strategy and Approach

Neoperl does not currently maintain a dedicated biodiversity and ecosystems transition plan within the meaning of the Kunming-Montreal Global Biodiversity Framework.

Biodiversity and ecosystem considerations are currently addressed through existing sustainability, environmental and risk management processes, including environmental management systems implemented at several reporting locations.

3.4.3 Biodiversity Management

Neoperl currently assesses biodiversity-related impacts and dependencies primarily in the upstream value chain, based on raw material sourcing and selected supplier information. The traceability of products, components and raw materials is being progressively enhanced through procurement, supplier management and material compliance processes, with a focus on im-



proving transparency regarding key materials and strengthening the data basis for future decision-making.

A systematic Group-wide assessment of sites located in or near biodiversity-sensitive areas has not yet been completed. Based on currently available information, no reporting locations have been identified as having material biodiversity-related impacts requiring separate site-level disclosure. A more detailed assessment is planned from 2028. No biodiversity-specific targets or actions have been adopted to date; their need will be evaluated based on the results of this assessment.

3.5 RESOURCE USE AND CIRCULAR ECONOMY

3.5.1 Resource Use and Circularity Risks

Resource use and circular economy cover the use of raw materials and other materials, as well as requirements relating to product design, resource efficiency, durability, repairability and recyclability across the value chain.

The Double Materiality Assessment identified the following material risks:

- Increasing transparency and documentation requirements across raw material supply chains may result in higher procurement, verification and reporting costs.
- Assessing and introducing alternative raw materials and materials may result in additional development, testing and approval costs.
- Future requirements relating to circularity, recyclability and product transparency may require additional development, documentation and implementation efforts.

The identified risks therefore relate both to upstream material sourcing and to downstream expectations concerning product circularity and resource efficiency.

3.5.2 Resource Management Approach

Neoperl considers resource-use and circular-economy aspects through existing product development, material assessment and procurement processes.

When developing new products, factors such as material efficiency, recyclability, durability, repairability, raw material availability, carbon footprint and regulatory requirements are considered. Alternative materials and product designs are assessed regarding technical suitability, environmental performance and economic feasibility.

For products intended for contact with drinking water, product safety, hygiene and regulatory

approval requirements are key design considerations. Product design and material selection are therefore guided by applicable drinking-water regulations and certification requirements to ensure compliance and the protection of drinking-water quality.

Environmental Product Declarations (EPDs) are used to improve transparency regarding product life cycle impacts and support product and material assessments. EPDs are already available or under development for selected product groups.

Circular economy and resource-use considerations are currently integrated into existing product-development, sustainability and environmental-management processes; a dedicated Group-wide policy is under development.

Product development aims to balance resource efficiency, circularity considerations, product performance, product safety and drinking-water

compliance requirements throughout the product life cycle. This supports long-term product quality, reliability and regulatory compliance while helping Neoperl respond to evolving customer and market requirements.

3.5.3 Actions, Targets and Resources Related to Resource Use and Circular Economy

Neoperl implements various measures to improve resource efficiency and strengthen circular-economy considerations in product develop-

ment, material selection, packaging and waste management.

The measures are implemented through existing product development, procurement, quality and sustainability processes. Dedicated resources

and expenditures for individual circular-economy measures have not yet been quantified on a Group-wide basis.

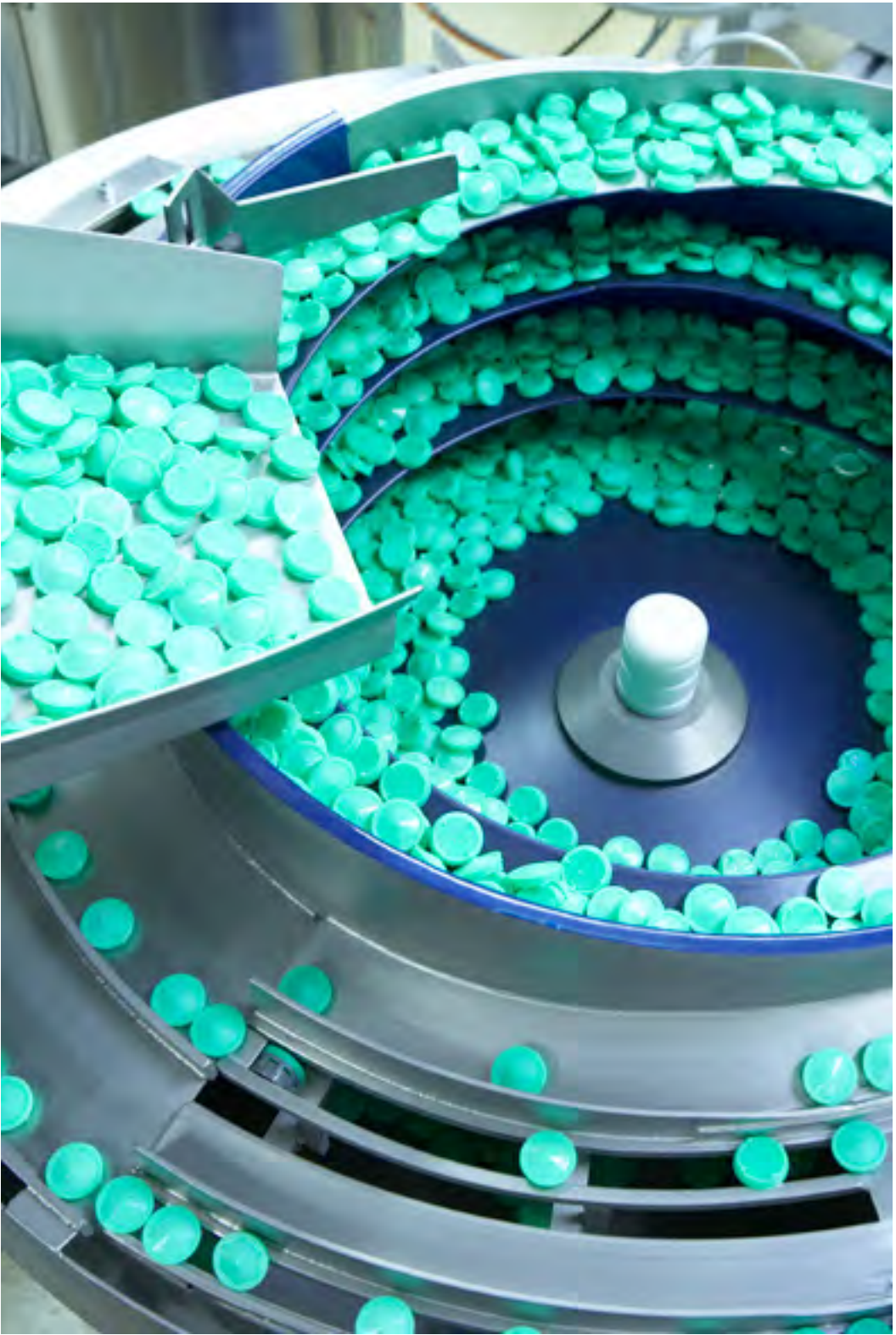
The Group nevertheless aims to improve resource efficiency and integrate circular-economy considerations more systematically into product development and material selection. Current priorities include:

- assessing alternative materials;
- improving material efficiency;
- strengthening product durability, repairability and recyclability;
- expanding product-related environmental information; and
- improving data relating to materials, packaging and waste.

As the underlying data improves, Neoperl will assess whether specific qualitative or quantitative targets and indicators can be established.

Action Area	Measure	Time Horizon	Status / Data Basis
Materials and product design	Assessment of alternative materials and consideration of material efficiency, durability, repairability and recyclability	Ongoing	Product development and material assessment processes
Product-related environmental information	Development and use of Environmental Product Declarations (EPDs)	Ongoing	EPDs available or under development for selected products
Waste and recovery	Improvement of waste data and review of disposal and recovery routes	Under development	Waste data and disposal documentation
Packaging	Review and further development of packaging materials and packaging quantities	Ongoing / under development	Packaging and procurement data

Table 19: Action area resource use and circular economy 2025



3.5.4 Resource Inflows

Material inflows were assessed using available purchasing and weight data from the 2025 Scope 3.1 assessment. Purchased goods were classified by material category and consolidated by weight.

Further information on material classification, data sources, procurement-based material assessments and methodological assumptions is provided in Appendix 6.

Certain materials used by Neoperl may contain critical or strategic raw materials as defined by the Critical Raw Materials Act. A detailed assessment of the relevance of critical and strategic raw materials and the corresponding material categories is currently being conducted. Relevant findings will be incorporated into future reporting periods.

Secondary and recycled material content is currently not recorded consistently on a Group-wide

basis. For products intended for drinking-water applications, product safety, hygiene and regulatory approval requirements currently limit or exclude the use of recycled materials in product components. The recyclability-by-design rate of key products and packaging is currently being assessed as part of the ongoing development of Environmental Product Declarations (EPDs) and related product-life-cycle analyses. A Group-wide methodology and data basis are under development; reporting is expected to be expanded in future reporting periods.

In response to future regulatory requirements, including the Packaging and Packaging Waste Regulation (PPWR), Neoperl expects data collection to be expanded during the 2026 reporting year and further developed from 2027 onwards.

Key Material Category	Description	Total Weight (t)	Share of Reported Materials
Metals	Metals used in product manufacturing	4,471.73	35.1%
Plastics	Plastics used in product manufacturing	2,750.95	21.6%
Rubber and elastomers	Rubber and elastomer components	959.70	7.5%
Paper and cardboard packaging	Paper- and cardboard-based packaging	837.81	6.6%
Plastic packaging	Plastic-based packaging materials	77.57	0.6%
Not defined	Purchased goods without reliable material identification	3,629.06	28.5%
Total reported materials		12,726.82	100.0%

Table 20: Resource inflows 2025

3.5.5 Resource Outflows: Products, Packaging and Waste

Neoperl’s products are designed for long-term use in sanitary and drinking-water applications. Product development considers requirements relating to quality, safety, hygiene, durability and reliability. Depending on the product group, individual components may be replaced during maintenance or modernization activities. Group-wide

quantitative indicators for repairability and recyclability are currently being further developed.

Waste is generated primarily through production activities, packaging, material handling and supporting operational processes. Wastewater-related streams are excluded from the waste metrics; further information is provided in Appendix 6.

Classification	Weight 2025 (t)	Share of Reported Waste
Hazardous and specific waste	44.97	4.6%
Non-hazardous waste	933.92	95.4%
Total waste	978.89	100.0%

Table 21: Waste by hazard classification 2025

Waste by Treatment Route

Waste is currently reported by hazard classification and treatment route based on available site-level information. A more detailed classification distinguishing recycling, other recovery, incineration, landfill and other disposal routes, as well as hazardous and non-hazardous waste by treatment route, is being developed as part of the

ongoing harmonization of waste reporting processes. No radioactive waste was reported.

Further information on waste classifications, treatment routes and data limitations is provided in Appendix 6.

Treatment Route	Weight 2025 (t)	Share of Reported Waste
Recycling and Recovery	531.52	54.3%
Incineration and Thermal Treatment	447.37	45.7%

Table 22: Waste by treatment method 2025

- 4.1 Working at Neoperl
- 4.2 Workforce Composition
- 4.3 Diversity, Equity and Inclusion
- 4.4 Compensation and Social Protection
- 4.5 Learning, Health and Workforce Incidents
- 4.6 Workers in the Value Chain
- 4.7 Consumers and End-Users

4 SOCIAL

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4.1 WORKING AT NEOPERL

Neoperl’s employees contribute their knowledge, experience and commitment across the Group’s locations and functions. Their expertise and daily work are essential to the quality, reliability and continued development of the company.

As an international manufacturing company, Neoperl combines shared corporate values and principles with employment practices that reflect local legal, cultural and operational conditions. Excellence, Responsibility, and Passion provide a common foundation for how employees work together across locations and functions.

Neoperl aims to provide a safe, respectful and attractive working environment in which employees can contribute their expertise, develop their skills and grow with the company over the long term.

4.1.1 Workforce Priorities and Material Matters

The availability and retention of qualified employees, the transfer of knowledge and the develop-

ment of relevant skills are important workforce priorities for Neoperl.

The Double Materiality Assessment identified material financial risks relating to workforce availability, employee retention and the potential loss of specialist, operational and leadership knowledge. It also identified material financial opportunities associated with remuneration, occupational health and safety, and training and skills development. Working time, work-life balance and other employment conditions were also considered. While the related impacts remained below the defined impact materiality threshold, these matters continue to be relevant to Neoperl’s workforce management.

The following workforce-related matters were considered:

Attracting and retaining employees: The availability and retention of qualified employees are relevant to operational continuity, productivity and the ability to fill critical positions.

Knowledge and succession management: The transfer of specialist, operational and leadership knowledge supports continuity, process efficiency and informed decision-making, particularly when experienced employees or managers leave the company.

Working time and work-life balance: The assessment considered working-time arrangements, flexible working models and the reconciliation of professional and private responsibilities.

Remuneration and social conditions: Fair and competitive remuneration represents an opportunity in relation to attracting and retaining qualified employees. Social protection and other employment conditions were also considered in the assessment.

Occupational health and safety: Preventive occupational health and safety measures, including risk assessments, training and incident management, can help manage accident-related

disruption, absence and associated organizational costs.

Training and skills development: Training, digital learning formats, leadership development and knowledge transfer support the availability and development of relevant skills across the Group.

These matters provide the basis for the workforce-related policies, engagement processes, actions and performance information presented in the following sections. Further information on the assessment process, methodology and thresholds is provided in Chapter 1.5.

4.1.2 Policies Related to Own Workforce

Neoperl manages workforce-related matters through Group-wide principles and site-specific policies, regulations and management instruments. The Group Code of Conduct provides the overarching framework for ethical conduct, compliance, human rights, equal treatment, non-dis-

crimination, protection against harassment, occupational health and safety, employee rights, data protection and reporting channels.

The Code of Conduct is based on internationally recognized principles, including the Universal Declaration of Human Rights, the International Labour Organization (ILO) Core Labour Standards⁸ and the principles of the United Nations Global Compact (UNGC)⁹. It also addresses the prevention of child labor, forced and compulsory labor, and human trafficking. Group-wide principles are supplemented by local employment regulations and management instruments reflecting applicable legal and operational conditions.

The following policies, regulations and management instruments support workforce management across the Group:

Policy / Instrument	Content and Purpose	Scope / Implementation
Group Code of Conduct	Ethical conduct, compliance, human rights, equal treatment, non-discrimination, protection against harassment, occupational health and safety, employee rights, data protection and reporting channels	Group-wide framework, supplemented by local policies and procedures
Local employment conditions and regulations	Employment conditions, leave arrangements, social protection, sickness and accident arrangements, and development opportunities	Applied at location level in accordance with applicable legal and employment requirements
Working time regulations	Working hours, breaks, overtime, time recording and flexible working arrangements	Applied at locations with formalized working-time regulations
Mobile working arrangements	Mobile working, collaboration, information security and occupational health and safety	Applicable to suitable activities where local arrangements are available
Business travel policy	Business travel, approvals, travel expenses, travel safety and insurance coverage	Applicable to employees undertaking business travel
Occupational health and safety management	Accident prevention, risk assessment, training and safe and healthy working conditions	Implemented through local occupational health and safety arrangements
Employee handbooks and local labor policies	Working conditions, employee protection, conduct and operational procedures	Adapted to applicable local legal and operational requirements
Culture and learning resources	Corporate culture, respectful conduct and relevant learning activities	Used at Group and location level
Whistleblowing and grievance processes	Confidential reporting and handling of concerns, complaints and potential violations	Group-wide whistleblowing channel supplemented by local grievance and HR channels

Table 23: Material policies, regulations and management instruments

⁸ Q30, Q35

⁹ Q31

Workforce-related principles are established at Group level and supplemented by local regulations and management instruments. Neoperl continues to align the documentation of policies, responsibilities and reporting processes across locations.

4.1.3 Employee Engagement and Dialogue

The Neoperl Group considers employee perspectives through direct dialogue, structured participation formats and communication channels. Engagement mechanisms vary according to local legal requirements, organizational structures, site size and operational circumstances.

Employees can raise concerns and provide feedback on working conditions, occupational health and safety, workplace arrangements and professional development through managers, HR functions and local management. Additional feedback is gathered through employee surveys, communi-

cation channels, information sessions, town halls, employee-management committees, employee representation mechanisms and management walkabouts. At several locations, suggestion boxes and dedicated HR communication channels provide further opportunities to submit ideas, feedback, questions or requests for support. An overview of employee engagement and feedback formats is provided in Table A12.

Confidential reporting of potential violations is possible through Group-level whistleblowing and grievance channels, supplemented by local reporting mechanisms where applicable.

Remediation and Assessment of Effectiveness

Where potential or actual negative impacts on employees are identified, the matter is reviewed by the responsible functions and, where appropriate, with the involvement of affected employees. Follow-up actions may include workplace adjust-

ments, mediation, clarification of policies, training measures or organizational changes. External specialists may be consulted where necessary.

Information from engagement and grievance channels is considered through case handling, follow-up activities, regular dialogue and employee feedback. Neoperl continues to align the documentation of channel usage, response processes and follow-up actions across locations.

4.1.4 Workforce Actions and Measures

Neoperl's workforce-related measures address the workforce priorities identified through the Double Materiality Assessment and are implemented at Group and location level.

Key areas of action include:

- attracting and retaining qualified employees through competitive employment conditions,

- employee dialogue and workforce planning;
- supporting fair and competitive remuneration through regular reviews of statutory requirements, collective agreements and relevant benchmarks;
- maintaining safe and healthy working conditions through risk assessments, training, incident reporting and corrective actions;
- promoting training, skills development and leadership capabilities through role-specific training, development discussions and qualification measures; and
- supporting knowledge transfer and succession planning across the Group.

Further information on workforce-related measures, implementation approaches and monitoring activities are summarized in Table A13.

Implementation is supported by HR functions, managers and local occupational health and safety functions. External professional training



or employment-law expertise may be consulted where required.

In 2025, workforce-related matters were managed through existing policies, applicable legal requirements, local measures and the monitoring of workforce-related information. Building on these approaches and the continued development of the Group-wide data basis, Neoperl plans to assess the feasibility of introducing Group-wide qualitative or quantitative workforce targets as part of the further development of its workforce management approach.

4.2 WORKFORCE COMPOSITION

4.2.1 Own Employees

As of 31 December 2025, the Neoperl Group employed 1,956 employees across 11 reporting locations. Workforce information is monitored at both Group and location level and includes employee headcount, gender distribution, contract types and employee turnover. Definitions and calculation methods for workforce metrics are provided in Appendix 8.

Location	Headcount	Men	Women	Turnover
Bulgaria	432	237	195	12.0%
China (Jiangmen)	270	81	189	8.0%
China (Shanghai)	106	35	71	15.0%
Denmark	30	17	13	14.0%
Germany	510	294	216	8.0%
India	81	49	32	6.0%
Italy	135	85	50	1.0%
Switzerland	138	82	56	7.2%
Thailand	56	13	43	26.5%
United Kingdom	155	78	76	11.0%
United States	43	13	30	29.0%
Total	1956*	984	971	N/A

* The Group workforce comprised 984 men, 971 women and one employee reported in another gender category.

Table 24: Employees by location 2025

4.2.1.1 Employees by Contract Type

Permanent employment is the predominant employment model across the Group. As of 31 December 2025, 1,933 (98.82%) employees were employed under permanent contracts and 23 (1.18%) employees under fixed-term contracts. No material number of employees with non-guaranteed hours arrangements was identified. Gender-disaggregated contract-type information is not yet collected consistently across the Group and is therefore not reported for the 2025 reporting year.

Temporary employment is used where required by local labor market conditions, operational requirements or legal frameworks. A gender-specific breakdown of contract types is currently not reported separately, as temporary employment represents only a limited proportion of the total workforce.

Contract-type information is available for a substantial proportion of the workforce and forms part of the Group’s workforce reporting. Neoperl continues to align workforce reporting definitions and data collection approaches across locations to support consistent and comparable reporting.

4.2.1.2 Employee Turnover and Retention

Employee turnover is calculated at location level based on the number of employees leaving during the reporting year in relation to the average workforce.

In 2025, turnover rates ranged from 1% to 29% across the reporting locations. Variations between locations reflect local workforce structures, labor market conditions and site-specific developments. At smaller locations, a limited

number of departures can have a proportionally greater effect on the reported turnover rate.

A Group-wide turnover rate is not reported for 2025, as absolute leaver numbers and average workforce figures across locations are being aligned through a consistent calculation methodology.

4.2.2 Non-Employees

At selected locations, external workers are engaged to support operational requirements, temporary workload fluctuations or specialized activities. During 2025, non-employees were reported at sites in Shanghai, Germany, India and Switzerland. Reported activities included cleaning services, warehouse and packaging activities, manual assembly work, logistics support and workers provided through external staffing agencies.

The composition, contractual arrangements and reporting approaches for non-employees differ across locations. At some locations, information is reported as an average number of workers, while other locations report full-time equivalent (FTE) values. The reported figures are therefore

not directly comparable and are not aggregated into a Group-wide total.

The methodology used to identify and report non-employees is being further harmonized, particularly regarding definitions, reporting boundaries and measurement approaches.

Location	Average Number of Non-Employees
Germany	45.0
Shanghai	7.7
India	120.0
Switzerland	2.4 FTE

Table 25: Average number of non-employees 2025

4.2.3 Collective Bargaining Coverage and Social Dialogue

Coverage by collective bargaining agreements and forms of employee representation differ across Neoperl Group locations due to the respective national labor law frameworks and local employment practices. In line with the reporting requirements, collective bargaining coverage and employee representation are reported at country level for European Economic Area (EEA) countries with significant employment.

Location	Collective Bargaining Coverage	Employee Representation
Denmark*	68.0%	68.0%
Germany	97.0%	97.0%
Italy*	100.0%	100.0%
Switzerland**	0.0%	100.0%

* Italy and Denmark are included voluntarily.
** Switzerland is not part of the EEA and is reported voluntarily for transparency. Data for Bulgaria, which also meets the threshold, was not available for the 2025 reporting year and will be reported from the next reporting period.

Table 26: Collective bargaining coverage and employee representation 2025

Employee representation arrangements may include collective bargaining agreements, employee committees and other representative bodies established in accordance with national legal and organizational requirements. Different forms of employee representation are not directly comparable across jurisdictions and therefore reflect the respective national frameworks and practices.

In Switzerland, employee representation is provided through a local employee committee, although no collective bargaining agreements are in place.

Information on collective bargaining coverage and employee representation is currently available only for selected EEA countries. Data for non-EEA locations are not yet collected on a sufficiently consistent basis and are therefore not reported for the 2025 reporting year.

The Neoperl Group does not maintain employee representation arrangements through a European Works Council (EWC), a Societas Europaea (SE) Works Council or a European Cooperative Society (SCE) Works Council.

4.3 DIVERSITY, EQUITY AND INCLUSION

4.3.1 Gender Diversity

Neoperl’s workforce management framework includes principles relating to equal treatment, non-discrimination and respectful workplace conduct. These principles are reflected in the Group Code of Conduct and supported by local employment regulations and workplace practices.

Equal opportunities apply regardless of gender, age, nationality, disability, religion, belief, ethnic origin or other characteristics protected under applicable law.

For reporting purposes, Top Management comprises employees assigned to Global Job Grades 8 to 11. This definition includes local and Group-level management positions with significant leadership and decision-making responsibilities and provides a consistent basis for reporting across locations.

Location	Top Management	Men	Women
Bulgaria	3	2	1
China-Jiangmen	1	1	0
China-Shanghai	3	3	0
Denmark	5	4	1
Germany	16	15	1
India	3	2	1
Italy	10	9	1
Switzerland	18	15	3
Thailand	4	0	4
United Kingdom	8	6	2
United States	5	1	4
Total	76	58	18

Table 27: Gender diversity in top management 2025

In 2025, top management comprised 76 employees, of whom 58 were men (76.3%) and 18 were women (23.7%).

This location-specific breakdown supports greater transparency on management diversity and provides a consistent basis for monitoring developments over time.

4.3.2 People with Disabilities

The collection of disability-related information is subject to different legal, regulatory and data protection requirements across locations. Where the collection of such information is legally permitted and established, location-specific information is available.

Location	Employees with Disabilities	Reported Share
Bulgaria	18	4%
China-Jiangmen	4	1%
China-Shanghai	1	1%
Denmark	2	7%
Germany	20	4%
India	Not collected	N/A
Italy	8	6%
Switzerland	Not collected	N/A
Thailand	0	0%
United Kingdom	Not collected	N/A
United States	Not collected	N/A

Table 28: Employees with disabilities, headcount and share 2025

Disability-related information is not available for all reporting locations and is collected only where permitted by local legislation and reporting requirements. Where information is not available, this is reported as not collected and clearly distinguished from locations reporting a confirmed value of zero.

Based on the reporting locations for which information was available, 53 employees with disabilities were reported in 2025, representing 3.4% of the workforce covered.

Differences in data availability reflect varying national legal and privacy requirements and do not indicate differences in Neoperl’s commitment to equal opportunities and inclusion.

4.4 COMPENSATION AND SOCIAL PROTECTION

4.4.1 Adequate Wages

Neoperl is committed to fair and competitive remuneration practices across all locations. Remuneration is determined in accordance with local legal requirements, collective agreements where applicable, local labour market conditions and recognized reference wage levels.

For the 2025 reporting year, all reporting locations confirmed that employees were remunerated at or above the respective reference level applied locally. Depending on the country, these reference levels are based on statutory minimum wages, collective agreements, recognized living wage references or other relevant labor market benchmarks.

External sources used to support local assessments include, where relevant, the Living Wage Foundation, Fair Wage Network, Global Living Wage Coalition¹⁰, ILO and Organisation for Economic Co-operation and Development (OECD)

data, as well as country-specific collective agreements and market benchmarks.

To support the assessment of fair and competitive remuneration across locations, Neoperl applies a framework based on local reference wages, living wage references and internal remuneration indicators. Attention is given to lower pay bands and selected operational job grades that provide a broadly comparable basis across locations.

Monitoring of Fair Pay

To support internal monitoring, Neoperl assesses remuneration against applicable local reference wage levels. The remuneration monitoring approach includes:

Fair Pay Ratio: Average base pay of selected operational job grades in relation to the applicable local reference wage level.

Fair Pay Ratio of Lowest Salary: Lowest reported base salary in relation to the applicable local reference wage level.

Job Grade 1 and 2 Benchmark: Assessment of remuneration for selected operational job grades that provide a consistent reference group across locations.

All indicators are based on base pay only and do not include variable remuneration or additional benefits. They are used for internal monitoring purposes and are not intended to compare wage levels between countries or locations.

Further information on indicative local living wage reference levels and the underlying benchmark sources is provided in Appendix 9, Table A14.

Key Measures and Actions

- Regular review of local pay levels against statutory requirements, collective agreements and

relevant market or living wage benchmarks.

- Monitoring of lower pay bands and selected operational job grades as part of the Group's remuneration assessment framework.
- Continued alignment of reference benchmarks, methodologies and documentation across locations.

4.4.2 Social Protection

Neoperl complies with applicable national social protection systems, including statutory provisions relating to illness, unemployment, work-related injury, disability and parental protection. Where applicable, statutory arrangements may be supplemented by company-specific benefits.

For the 2025 reporting year, all reporting locations confirmed coverage for sickness, unemployment, work-related injury or disability, and maternity protection. Coverage is provided through national social protection systems, statutory accident insurance schemes, local legal require-

¹⁰ Q27, Q32, Q33

ments and, where applicable, company-specific arrangements.

The specific design and scope of social protection arrangements vary according to the respective national legal and social security frameworks.

4.4.3 Work-Life Balance Metrics

Work-life balance arrangements are based on applicable national legal requirements and, at selected locations, are supplemented by company-specific provisions. In 2025, 100% of employees were entitled to family-related leave in accordance with applicable national legislation.

Depending on national legislation and local employment conditions, these arrangements may include maternity leave, paternity leave, parental leave and caregiver leave. The scope, duration and eligibility requirements vary across jurisdictions.

4.4.4 Remuneration Metrics

Remuneration practices are assessed against applicable legal requirements, collective agreements, local labor market conditions (see Table A14).

No Group-wide average is reported for 2025. Remuneration structures, workforce composition and calculation methodologies differ across locations and therefore do not provide a sufficiently consistent basis for meaningful Group-wide aggregation. The respective workforce structure at each location should therefore be considered when interpreting the results.

The annual total remuneration ratio was not available for all reporting locations. Employee representation data for Denmark was not available for the 2025 reporting year.

Location	Unadjusted Gender Pay Gap	Annual Total Remuneration Ratio
Bulgaria	17.9%	8.7
China- Jiangmen	54.3%	9.5
China-Shanghai	60.0%	14.3
Denmark	10.9%	Not available
Germany	19.1%	4.6
India	42.7%	8.6
Italy	14.7%	4.8
Switzerland	13.4%	3.3
Thailand	-78.6%	6.3
United Kingdom	17.6%	3.7
United States	28.5%	3.3

Table 29: Remuneration metrics 2025

The unadjusted gender pay gap compares average gross hourly remuneration across all employees without adjusting for differences in employee category, function, management level or seniority.

The results should therefore be interpreted in the context of the workforce structure at each location. Definitions and calculation methods for remuneration metrics are provided in Appendix 8.

4.5 LEARNING, HEALTH AND WORKFORCE INCIDENTS

4.5.1 Training and Skills Development Metrics

Neoperl is committed to supporting continuous professional development throughout an employee’s career. Training, further education and personal development are key elements of the Group’s people development approach. Employees have access to training and development measures tailored to their respective roles as well as to site- and function-specific qualification requirements.

Training activities include internal and external professional training, mandatory training, digital learning formats, performance and development discussions, and individual development measures. Key topics include onboarding, occupational health and safety, fire safety, environmental topics, product training, technical qualifications, communication and soft skills, leadership development, foreign languages and cybersecurity.

Training is delivered through a combination of classroom-based learning, digital learning formats, webinars and individual coaching, depending on business and employee needs. At selected locations, regular development discussions and individual training or development agreements are used to identify professional and personal development needs and define appropriate measures.

Examples of local training practices include leadership development programs, digital project management courses and individual coaching initiatives. These examples illustrate how the Group’s overall approach to learning and development is adapted to local requirements and organizational structures.

Training Documentation and Learning Management

Digital learning and training management systems support the delivery, documentation and

monitoring of training and development activities across the Group. These systems are used to provide learning content and, where available, to document training participation, qualifications, certificates and training hours.

The continued development of training management processes supports greater transparency and comparability of training-related information across locations. These processes support the documentation of mandatory and development-related training, participation records, certificates and training hours and provide a consistent basis for monitoring learning activities across the Group.

Selected Training and Development Indicators

In 2025, a total of 6,388 documented training hours were recorded across the Group. Training hours reflect documented learning activities recorded through local and Group-wide learn-

ing management processes. As documentation practices continue to be harmonized, learning activities completed outside these processes may not yet be fully captured. Reported training hours should therefore be interpreted as documented training activities available for reporting purposes rather than a complete representation of all learning activities across the Group.

Location	Formalized Reviews	Review Rate	Training Hours	Average Hours / Employee
Bulgaria	54	13%	1736	4.02
China (Jiangmen/Shanghai)	270/106	100%	107.5 **	0.29 **
Denmark	estimated	N/A*	48.5	1.62
Germany	470	92%	2,349	4.61
India	estimated	N/A*	35.25	0.44
Italy	135	100%	619	4.59
Switzerland	estimated	N/A*	866	6.28
Thailand	17	30%	8 ***	0.14
United Kingdom	77	50%	548.75	3.54
United States	43	100%	70.4	1.64
India	estimated	N/A*	35.25	0.44

* For locations where review-related or training-related information is not available, data is reported as N/A,

** Training data for the locations in China is consolidated therefore reported jointly,

*** Reported training hours for Thailand relate to documented mandatory safety training only. Other learning activities are not systematically tracked.

Table 30: Training hours 2025

The table presents selected training and development indicators for the reporting period. Data availability and documentation practices currently differ across locations.

At locations where no formalized performance review process is in place, employee development is supported through individual feedback, development discussions and other locally established practices. The further harmonization of employee review and training documentation remains an ongoing focus area for Global HR.

Measures and Actions

- Structured training and development programs covering professional skills, leadership, compliance, health and safety, and role-specific qualifications.
- Blended learning formats include classroom training, digital learning modules, webinars, external training and individual coaching.
- Integration of learning and development into

employee and performance discussions, including development planning, succession-related activities and talent development.

- Continued development of Group-wide learning management, training documentation and tracking processes to support more consistent learning opportunities and training data collection across locations.

Neoperl continues to develop training documentation and management processes across locations. Priorities include the further alignment of review definitions, training documentation and training-related reporting processes to support greater transparency and comparability of learning and development information.

4.5.2 Health and Safety Metrics

Neoperl aims to provide safe and healthy working conditions for all employees. Occupational health and safety is managed through local health and safety management systems based on applicable

legal requirements and supplemented by internal standards and Group-wide expectations.

Key elements include regular risk assessments, mandatory safety training and briefings, incident and near-miss reporting, investigation of work-related accidents, emergency preparedness, the provision of appropriate personal protective equipment where required, and the implementation and follow-up of corrective measures. Findings from incidents, audits and site inspections are used to identify improvement needs and strengthen local and Group-wide safety processes. At selected locations, implementation is supported by appointed safety officers and digital management systems.

For the 2025 reporting year, information on coverage by an occupational health and safety management system was available for all eleven locations. Employees at all eleven locations were covered by an occupational health and safety management system.

Location	H&S Coverage	Recordable Work-Related Accidents	Rate per 1 Million Hours	Lost Days Due to Accidents
Bulgaria	100%	0	0	0
China-Jiangmen	100%	2	3.2	98
China-Shanghai	100%	0	0	0
Denmark	100%	0	0	0
Germany	100%	1	1.3	3
India	100%	0	0	0
Italy	100%	1	4.7	35
Switzerland	100%	1	4.7	2
Thailand	100%	0	0	0
United Kingdom	100%	1		0
United States	100%	0	0	0

Table 31: Health and Safety Performance 2025

Definitions and calculation methods for occupational health and safety metrics are provided in Appendix 8.

In 2025, no work-related fatalities were reported at the covered locations. A total of six recordable work-related accidents were reported: two in Jiangmen and one each in Germany, Italy, Switzerland and the United Kingdom. Recordable work-related accidents are reported according to local legal and company reporting requirements. Depending on the jurisdiction, this may include accidents resulting in fewer than three lost working days.

Based on the currently available data, 138 lost working days resulted from work-related accidents in 2025. In addition, one case of work-related ill health and 33 related lost working days were reported. As the Thailand site only became operational in 2025, the reported health and safety data cover a comparatively short operating period and should therefore be interpreted accordingly.

A Group-wide accident frequency rate is currently not reported as working-hour data are not yet collected and consolidated on a fully consistent basis across all reporting locations. The reported site-level accident rates therefore represent the most reliable information currently available. Data collection and reporting processes for health and safety indicators continue to be aligned across locations to support greater consistency and comparability over time.

Key Measures and Actions

To promote a safe and healthy working environment and support consistent occupational health and safety management across locations, Neoperl implements the following measures:

- Regular health and safety training, employee briefings and workplace risk assessments.
- Reporting and investigation of work-related incidents and implementation of corrective measures.
- Local safety responsibilities and preventive measures adapted to site-specific operational risks.
- Further alignment of health and safety definitions, working-hour data and the reporting of accidents, work-related illness and lost days across locations.
- Continuous development of common reporting and validation processes to support consistent and comparable health and safety reporting across the Group.

4.5.3 Incidents of Discrimination and Human Rights Incidents

The Neoperl Group aims to prevent discrimination, harassment and other work-related human rights violations. The Code of Conduct and existing whistleblowing and grievance channels provide the framework for reporting, investigating and addressing potential cases.

In the 2025 reporting year, no confirmed cases of discrimination or harassment and no other confirmed work-related human rights incidents were reported. Accordingly, no related fines, sanctions or compensation payments were recorded.

4.6 WORKERS IN THE VALUE CHAIN

4.6.1 Classification, Materiality and Scope

The topic Workers in the Value Chain covers individuals who are not part of Neoperl's own workforce but work for suppliers, service providers or other business partners across the upstream and downstream value chain. Relevant aspects include working conditions, occupational health and safety, equal treatment, and labor-related human rights.

As part of the Double Materiality Assessment, no detailed risk areas within the value chain could yet be identified due to the current level of data availability. However, given the raw materials used in production, particularly metals and plastics, potential adverse impacts on workers in the value chain cannot be excluded. Potential risks may arise particularly in upstream stages of the value chain, including the extraction and processing of raw materials.

Based on these considerations, the topic was assessed as material. Neoperl aims to further strengthen transparency and data availability across its value chain in order to improve the identification, assessment and management of potential and actual impacts over time.

4.6.2 Human Rights and Labor Standards

Neoperl has established policies and processes to address material impacts, risks and opportunities related to workers in the value chain. These are primarily based on the Code of Conduct and the Supplier Code of Conduct.

The Code of Conduct sets out the principles of responsible business conduct across the Group. The Supplier Code of Conduct establishes expectations for suppliers regarding human rights, labor practices, non-discrimination, occupational health and safety, and compliance with applicable laws and regulations. It explicitly prohibits child

labor, forced labor and human trafficking and requires suppliers to respect internationally recognized human rights and labor standards.

These requirements are supported through supplier management, supplier assessments, compliance processes and procurement activities. Together, these policies and procedures provide the foundation for managing sustainability-related risks and impacts within the value chain and for the continued development of responsible supply chain practices.

4.6.3 Supplier Management: Engagement with Workers in the Value Chain

Neoperl considers information on actual and potential impacts on workers in the value chain primarily through existing supplier management and compliance processes. Engagement currently takes place mainly through suppliers and business partners rather than through direct interaction with workers.

Relevant information is obtained through supplier assessments, supplier self-assessments, audits and regular dialogue with suppliers. These processes may address topics such as working conditions, occupational health and safety, non-discrimination, and risks related to child labor, forced labor and other human rights issues. Findings are considered in supplier evaluations and support the further development of supplier requirements and related management processes.

Grievance and Reporting Channels

Neoperl's whistleblowing system provides a channel for reporting potential violations of legal, ethical or human rights standards, including those that may occur within the value chain. Reports received are reviewed and addressed through established compliance processes and may provide additional insights into potential impacts on workers in the value chain.

The effectiveness of these channels and related processes is monitored as part of ongoing compliance and supplier management activities, considering reported cases and identifying findings where applicable.

Approach to Stakeholder Engagement

Neoperl considers the perspectives of workers in the value chain through established supplier management, compliance and risk management processes. Relevant information is obtained through supplier assessments, self-assessments, audits, grievance mechanisms and regular dialogue with suppliers and business partners.

These processes provide insights into potential and actual impacts on workers in the value chain and support the ongoing assessment and management of related sustainability risks and opportunities. Where relevant, information may also

be considered through worker representatives or other legitimate stakeholder representatives.

As supply chain transparency continues to develop, Neoperl will continue to enhance its understanding of value chain-related impacts through existing engagement and information channels and evaluate opportunities to further strengthen stakeholder insights where appropriate.

4.6.4 Actions, Targets and Resources for Workers in the Value Chain

Neoperl addresses sustainability-related impacts, risks and opportunities concerning workers in the value chain through its established procurement, compliance and supplier management activities. Human rights and labor-related considerations are integrated into existing supplier requirements and business processes.

The implementation and further development of these activities are supported by dedicated functions within Procurement, Compliance and Quality

Management. Relevant sustainability and human rights topics are addressed as part of ongoing supplier management and governance processes.

Potential concerns related to workers in the value chain are reviewed through established compliance and supplier management procedures. Where appropriate, corrective or improvement measures may be agreed with the respective business partners and their implementation may be monitored.

No confirmed human rights violations relating to workers in the value chain were known to Neoperl during the reporting period.

Continuous Improvement

Neoperl aims to promote respect for human rights, fair working conditions and compliance with applicable requirements throughout its value chain through its Supplier Code of Conduct, supplier requirements and established management processes.

As transparency and data availability continue to improve, Neoperl continues to strengthen its understanding of sustainability-related impacts, risks and opportunities relating to workers in the value chain through the ongoing development of supplier management, compliance and risk management processes.

Interconnections with Other Sustainability Matters

The topic of workers in the value chain is linked to G1 Business Conduct and the environmental topics E2 Pollution, E3 Water, E4 Biodiversity and Ecosystems, and E5 Resource Use and Circular Economy. In particular, the extraction and processing of raw materials may be associated with both environmental impacts and impacts on working conditions, occupational health and safety, and other human rights-related matters. These interdependencies are considered as Neoperl continues to enhance transparency across its value chain.

4.7 CONSUMERS AND END-USERS

4.7.1 Classification, Materiality and Scope

The topic of consumers and end-users relates to the impacts of Neoperl's products on downstream users. Key considerations include product safety, drinking-water hygiene and water- and energy-efficient product solutions.

The Double Materiality Assessment identified the following material matters:

- Positive impact: Improved drinking-water hygiene and consumer safety through backflow prevention solutions that help reduce the risk of contamination.
- Opportunity: Market demand for water- and energy-efficient products that can contribute to lower water consumption and, in hot water applications, reduced energy use.

The identified impacts and opportunities primarily relate to the use phase of Neoperl's products and the downstream value chain.

4.7.2 Product Safety, Compliance and Product Information

Neoperl's approach to protecting consumers and end-users is supported by a framework of policies, requirements and management processes relating to product safety, quality, drinking-water hygiene and regulatory compliance. Key elements include the Code of Conduct, the Quality Policy, Drinking Water Compliance Requirements, the Regulatory Affairs and Product Approval Framework, and established product development and approval processes.

These frameworks define Neoperl's expectations regarding responsible business conduct, product quality, product safety and compliance with applicable legal, regulatory and technical requirements in the respective target markets.

Products and materials intended for contact with drinking water are developed, tested and assessed in accordance with applicable requirements. Depending on the product and target mar-

ket, these include requirements relating to drinking-water hygiene, material conformity, chemical safety and product safety. Compliance is supported through internal testing and approval processes, laboratory analyses, product testing and national or international certification and approval procedures.

To support the safe and appropriate use of its products, Neoperl provides technical product information, product data sheets, installation and application instructions, declarations of conformity, and documentation relating to materials, certifications and approvals. Depending on the product, the information provided may include details on product characteristics, materials used, intended applications, operating conditions and compliance with technical and regulatory requirements.

The requirements apply across Neoperl's relevant markets and customer groups while considering specific local regulatory and certification requirements where applicable.

In addition to product safety, Neoperl considers resource efficiency throughout product development. Water- and energy-efficient product solutions are intended to help reduce water and energy consumption during the use phase while supporting the safe use and quality of drinking water.

4.7.3 Engagement with Consumers and End-Users

Neoperl considers the perspectives of consumers and end-users through a range of direct and indirect information and feedback channels. As the Group primarily operates in a B2B environment and many products reach end-users through customers, retailers, online platforms and other distribution partners, engagement is often facilitated through these intermediaries.

Insights into customer expectations and user experiences are obtained through customer and product feedback, technical enquiries, complaints, product reviews and regular dialogue with

customers and distribution partners. These insights may relate to product quality, functionality, usability, product safety, efficiency and application requirements and are considered within product development, quality management and continuous improvement activities.

Product development also considers regulatory, legal and technical developments, as well as requirements arising from certification, approval and conformity assessment procedures. While these do not constitute direct consumer engagement, they provide additional input for ensuring product conformity, safety and performance.

This approach supports the continued development of drinking-water applications, water- and energy-efficient product solutions, product quality, product safety and user experience.

4.7.4 Complaints, Corrective Actions and Continuous Improvement

Customers, distribution partners, consumers and end-users can submit product-related questions, feedback or complaints through customer service contacts, company websites and other established communication channels.

Product-related enquiries are assigned to the relevant functions, including Quality Management, Product Development and other technical teams, for review and response. Feedback from customers and distribution partners provides valuable input regarding product development, usability, efficiency and performance and may be incorporated into product and improvement processes.

Product-related complaints concerning quality, functionality, product safety or potential product defects are managed through established quality and complaint management processes. Where

appropriate, additional specialist functions are involved and corrective measures are initiated.

Where potential or actual adverse impacts on consumers or end-users are identified, the matter is assessed through established quality and product management processes. Depending on the nature and severity of the issue, responses may include additional technical testing, adjustments to products or production processes, and supplementary product or customer information.

The review and implementation of appropriate measures involve the relevant functions, including Global Quality, Product Development, Product Approvals and Regulatory Affairs.

The effectiveness of corrective and improvement measures is monitored through established complaint and quality management processes. This includes root cause analyses, implementation of corrective actions and verification of their effective-

ness. Insights gained are used to support the continuous improvement of products and processes and to help prevent comparable issues.

As product, regulatory and market requirements continue to evolve, Neoperl further develops its products, processes and performance monitoring to support product safety, drinking-water protection and resource efficiency. Findings from complaint handling, root cause analyses and the verification of corrective actions are systematically fed back into product development and quality management to strengthen products and processes and to help prevent comparable issues in the future.

4.7.5 Actions, Targets and Resources Related to Consumers and End-Users

Neoperl implements a range of measures to prevent potential adverse impacts on consumers and end-users while promoting the positive im-

pacts of its products. Key areas of focus include drinking-water safety, compliance with quality and conformity requirements, and the reduction of water and energy consumption during product use.

Product safety, drinking-water hygiene and material conformity are supported through product testing, laboratory analyses and national and international certification and approval procedures. Depending on the applicable market requirements, these may include certifications and approvals from the German Technical and Scientific Association for Gas and Water (DVGW), KIWA (originally Keuring Instituut voor Waterleidingartikelen), the Water Regulations Advisory Scheme (WRAS), NSF International, formerly the National Sanitation Foundation (NSF) and the French Attestation de Conformité Sanitaire (ACS). These certifications and approvals support compliance with drinking-water regulations, product safety requirements, technical standards and mar-

ket-specific regulatory requirements and represent an important element of Neoperl’s product responsibility approach.

In 2025, the vast majority of relevant drinking-water products was covered by applicable certifications. 60% of the applicable product certifications were due for renewal. All certifications due for renewal were successfully renewed during the reporting year.

In addition, Neoperl develops and markets water- and energy-efficient product solutions. Through its watersaving.com initiative, the Group provides information on responsible water use and raises awareness of opportunities to reduce water and energy consumption. The platform also explains the sustainability benefits of water-saving products and helps consumers and end-users understand the relationship between water consumption, energy use and drinking-water resources.

Neoperl further supports customers in implementing new regulatory requirements, particularly regarding products and materials intended for contact with drinking water.

Neoperl provides dedicated organizational and personnel resources to manage material impacts, risks and opportunities relating to consumers and end-users. Relevant functions include Global Quality, Product Development, Regulatory Affairs, Product Approvals and Chemical Compliance.

No confirmed material or severe human rights-related incidents involving consumers or end-users were known to Neoperl during the reporting period. Consequently, no specific remediation measures or compensation payments were required.

Interconnections with Other Sustainability Matters

The topic of consumers and end-users is closely linked to E1 Climate Change, E3 Water, E5 Resource Use and Circular Economy, and G1 Business Conduct. Further information on these topics is provided in the respective chapters of this report.

- 5.1 Governance at Neoperl
- 5.2 Business Conduct Framework
- 5.3 Compliance, Ethics and Integrity
- 5.4 Metrics Related to Corruption and Bribery
- 5.5 Public Policy and Lobbying
- 5.6 Payment Practices

5 GOVERNANCE

5.1 GOVERNANCE AT NEOPERL



Neoperl considers responsible business conduct an integral part of its governance framework and sustainability approach. The governance structures, responsibilities and oversight mechanisms relevant to sustainability matters are described in Chapter 1.4.1.

This chapter focuses on the policies, processes and controls that support ethical, responsible and legally compliant business conduct across the Group, including compliance, integrity, anti-corruption, whistleblowing and business relationships.

5.1.1 Classification, Materiality and Scope

The topic of Business Conduct covers corporate culture and the principles, policies and processes that support ethical, responsible and legally compliant business conduct across the Neoperl Group.

The Double Materiality Assessment identified the following material matters:

- Potential inconsistencies in the perception and implementation of corporate values and leadership practices across locations.
- Risks relating to collaboration, employee engagement and the effective implementation of strategic initiatives.
- Compliance risks resulting from insufficient understanding or implementation of the Code of Conduct and related governance structures.
- Financial and reputational risks resulting from violations of legal requirements, internal policies or the Code of Conduct.

The management of these matters is described in the following sections.

5.2 BUSINESS CONDUCT FRAMEWORK

Neoperl promotes responsible business conduct through Group-wide policies, behavioral standards and compliance processes. The Code of Conduct provides the central framework for ethical, responsible and legally compliant conduct and applies worldwide to employees, managers, members of governing bodies and relevant business partners.

The Code of Conduct addresses compliance with applicable laws, human rights, fair business practices, conflicts of interest, anti-corruption and anti-bribery requirements, fair competition, data protection, anti-money laundering, occupa-

tional health and safety, and the responsible handling of information.

Business partners and suppliers are expected to comply with applicable legal requirements and Neoperl’s standards for responsible business conduct as communicated through contractual requirements, procurement processes and supplier management activities.

Responsibility for the compliance management system lies with the Compliance Office, supported by the Compliance Board.

Policy / System	Scope	Core Content
Code of Conduct	Group-wide and relevant business partners	Ethical, responsible and legally compliant business conduct
Anti-Corruption and Anti-Bribery Requirements	Group-wide	Gifts and hospitality, conflicts of interest, business relationships and compliance requirements
Whistleblowing system	Employees and external stakeholders	Reporting actual or suspected violations of laws, internal policies or the Code of Conduct
Compliance Processes and Training	Group-wide	Awareness, prevention, reporting and management of compliance-related matters

Table 32: Governance framework 2025

5.2.1 Whistleblowing and Protection of Reporting Persons

Neoperl operates a publicly accessible whistleblowing mechanism through which employees and external stakeholders can confidentially or anonymously report actual or suspected violations of laws, internal policies or the Code of Conduct. The whistleblowing system is accessible via Neoperl’s public website and can therefore also be used by external stakeholders. This supports the accessibility of the reporting channel for individuals who may be affected by activities within the value chain.

Reports are reviewed and handled in accordance with established procedures. Measures are in place to protect reporting persons from retaliation and other adverse consequences.

5.2.2 Anti-Corruption and Anti-Bribery

Requirements relating to the prevention of corruption and bribery are defined in the Code of Conduct and include rules regarding gifts and hospitality, conflicts of interest, business relationships and compliance with applicable legal and internal requirements.

In 2025, no formal Group-wide classification of functions or positions with elevated corruption or bribery risks had been established.

5.3 COMPLIANCE, ETHICS AND INTEGRITY

5.3.1 Actions, Measures, Resources and Objectives Related to Business Conduct

Training topics include anti-corruption and anti-bribery, gifts and hospitality, conflicts of interest, fair competition, anti-money laundering, human rights and data protection. Employees are informed about available reporting channels and the appropriate handling of compliance-related concerns.

Actual or suspected violations of the Code of Conduct, internal policies or legal requirements can be reported through the Group’s whistleblowing mechanism (see Chapter 5.2.1). Reports are reviewed and addressed in accordance with established procedures and may result in corrective or preventive measures where appropriate.

Requirements relating to responsible business conduct are also communicated to suppliers and business partners (see Chapter 4.6.3).

Neoperl has identified a Group-wide corruption and bribery risk assessment as a potential measure to support the further development of its compliance management approach.

No quantitative Group-wide targets related to business conduct have been defined for 2025. Neoperl continuously develops its compliance and governance framework to strengthen awareness, accountability and responsible business conduct throughout the organization.

5.4 METRICS RELATED TO CORRUPTION AND BRIBERY

5.4.1 Incidents of Corruption or Bribery

No convictions or sanctions relating to violations of anti-corruption or anti-bribery laws were identified during the 2025 reporting year. The reported metrics cover all entities included in the reporting boundary.

Metric 2025	Value
Number of convictions for violations of anti-corruption and anti-bribery laws	0
Number of fines for violations of anti-corruption and anti-bribery laws	0
Number of confirmed incidents of corruption or bribery	0
Total amount of fines recorded during the reporting year	€0

Table 33: Key metrics related to corruption or bribery 2025

5.5 PUBLIC POLICY AND LOBBYING

5.5.1 Political Contributions and Memberships

Representation of business interests was primarily carried out through memberships in employer associations, industry associations and selected economic and policy-oriented organizations. These memberships support industry dialogue, technical exchange, access to regulatory developments and the representation of sector-specific interests.

Total membership fees and contributions amounted to €93,300 in 2025.

Beyond the memberships listed in Table 34, Neoperl also participates in selected industry and standardization organizations, including the European Committee for Standardization (CEN) through participation in technical committees of the German Institute for Standardization (DIN), the Comité Européen des Fabricants de Robinetterie et de Sanitaires (CEIR), Plumbing Manufacturers International (PMI) and the Unified Water Label Association (UWLA). These memberships support technical exchange, standardization ac-

Country	Intended Use	Recipient Type	Direct or Indirect Contribution	Monetary Value
Germany	Representation of employer and industry interests	Employer Association: Verband der Metall- und Elektroindustrie Baden-Württemberg e. V. (Südwestmetall)	Indirect	€ 36,300
Germany	Industry representation, technical exchange and regulatory dialogue	Industry Association: Verband Deutscher Maschinen- und Anlagenbau e. V. (VDMA)	Indirect	€ 28,800
Germany	Industry networking and business representation	Industry Association: Wirtschaftsverband Industrieller Unternehmen Baden e. V. (wvib)	Indirect	€ 13,200
Germany	Economic and policy dialogue	Policy think tank and foundation: Centrum für Europäische Politik (cep), Stiftung Ordnungspolitik (SOP)	Indirect	€ 15,000

Table 34: Membership fees 2025

tivities and the monitoring of regulatory developments relevant to water efficiency, drinking-water and product requirements.

Key topics addressed through these memberships include product requirements, technical standardization, drinking-water-related legislation, water efficiency, sustainability requirements, industry regulation and broader economic and industrial policy topics

Neoperl did not make political contributions during the reporting year. The amounts reported above relate exclusively to membership fees paid to employer associations, industry associations and policy-oriented organizations. No separate documentation of political positions or specific lobbying priorities was in place for the reporting period.

No members of the administrative, management or supervisory bodies appointed during the reporting year had held a comparable position in a public administration or regulatory authority within the preceding two years.

5.6 PAYMENT PRACTICES

5.6.1 Metrics Related to Payment Practices

Neoperl agrees payment terms individually with suppliers, considering the nature of the business relationship, procurement volumes and contractual arrangements. Consequently, no Group-wide standard payment terms by supplier category are defined. Separate Group-wide payment terms for small and medium-sized enterprises (SMEs) have likewise not been established.

Neoperl pays its suppliers in accordance with the agreed payment terms. The average time taken to pay invoices is not yet collected on a Group-wide basis and will be reported in future periods.

At the end of the 2025 reporting period, no legal proceedings relating to late payments to suppliers were pending against the Neoperl Group.



6.1 Future Priorities and Continuous Improvement

6 OUTLOOK

6.1 FUTURE PRIORITIES AND CONTINUOUS IMPROVEMENT

Sustainability remains an integral part of Neoperl's long-term business development. Building on the foundations established in this first consolidated report, the Group will further integrate sustainability considerations into business processes, decision-making and governance.

A key priority is the continued improvement of data quality and reporting processes across locations and functions. This includes the further harmonization of environmental, workforce and supply chain data, the strengthening of internal controls and the annual review of the Double Materiality Assessment.

In the environmental area, Neoperl will focus on implementing its climate strategy and the approved reduction targets for Scope 1 and Scope 2 emissions by 2035. A climate risk analysis covering physical and transition risks is planned for 2027 and will form the basis for further transition

planning and the quantification of anticipated financial effects. For Scope 3, the priority is to improve supplier-specific data as a basis for quantitative targets from 2028. Further priorities include site-specific water risk assessments and a more detailed biodiversity assessment from 2028, the expansion of packaging and material data in line with upcoming regulatory requirements, and additional management system certifications from 2027.

Within product development, Neoperl will continue to advance solutions that support drinking-water safety, water efficiency and energy efficiency, while strengthening product-related environmental information such as Environmental Product Declarations.

In the social area, the focus remains on occupational health and safety, employee development, knowledge transfer and a shared corporate cul-

ture across locations. In the value chain, Neoperl will continue to increase transparency on working conditions in its supply chain.

From a governance perspective, Neoperl will further strengthen its compliance and risk management practices and foster a culture of integrity and accountability throughout the organization.

Neoperl will regularly review these priorities, management approaches and performance indicators as regulatory requirements, stakeholder expectations and market conditions evolve.



- Appendix 1: Sustainability Reporting Boundary
- Appendix 2: Double Materiality Assessment Methodology
- Appendix 3: Greenhouse Gas Inventory and Energy Methodology
- Appendix 4: Environmental Management and Chemical Compliance
- Appendix 5: Water Data and Water Risk Assessment
- Appendix 6: Materials, Circular Economy and Waste Methodology
- Appendix 7: Workforce Engagement and Measures
- Appendix 8: Workforce Metrics Methodology
- Appendix 9: Remuneration Reference Information

7 APPENDIX

Appendix 1: Sustainability Reporting Boundary

The sustainability reporting boundary covers the eleven reporting locations included in the Group’s 2025 sustainability data collection (see Table 1) Unless stated otherwise in the respective topic sections, quantitative environmental and work-force information relates to these reporting locations.

The scope of individual disclosures may differ depending on legal requirements, data availability and the organizational or operational relevance of the respective indicator. Where information is available only for selected locations, the applicable scope, data coverage and relevant limitations are disclosed together with the respective information.

Appendix 2: Double Materiality Assessment Methodology

The Double Materiality Assessment covers actual and potential impacts, risks and opportunities arising from Neoperl’s own operations and its upstream and downstream value chain.

Scoring logic

Each criterion was rated on a scale from 0 to 5. Scale ranged from 0 (none) to 5 (very high). Scope was assessed by the number of people affected (0 none to 5 all) or, for environmental impacts, by geographical extent (0 none, 1 local, 2 regional, 3 national, 4 continental, 5 global). Irremediable character ranged from 0 (very easy to remedy) to 5 (irreversible).

The impact materiality score was calculated as the sum of scale, scope and irremediable character, multiplied by the likelihood of occurrence (expressed as a factor between 0 and 1; actual impacts = 1). As irremediable character is not

applied to positive impacts, the maximum score is 15 for negative impacts and 10 for positive impacts. An impact was considered material if its score exceeded 7.5. The same absolute threshold was applied to positive and negative impacts, which represents a conservative approach for positive impacts.

The financial materiality score was calculated as the magnitude of the financial effect (0 to 5), multiplied by the likelihood of occurrence and the expected duration (1 = short term to 5 = long term), resulting in a maximum score of 25. A risk or opportunity was considered material if its score exceeded 12.5.

The thresholds were set with reference to the draft European Financial Reporting Advisory Group (EFRAG) guidance on double materiality (January 2022), as the ESRS do not prescribe quantitative thresholds.

The assessment used internal company information, existing risk and compliance processes, sustainability and environmental data, stakeholder input, regulatory information and selected external scientific and sector-related sources. The results were reviewed by relevant internal functions and validated through the established sustainability governance process.

The assessment was updated in 2026. Compared with the 2023 assessment, impacts, risks and opportunities were assessed individually and assigned directly to the relevant ESRS sustainability matters.

The principal information sources used in the assessment are presented in the following table:

Source	Type	Main Relevance	Use in the Assessment
Double Materiality Assessment 2023	Internal assessment	All sustainability matters	Starting point for reviewing previously identified impacts, risks and opportunities and assessing changes in relevance
Neoperl Group Code of Conduct	Internal policy	S1, S2 and G1	Assessment of requirements relating to human rights, working conditions, compliance, anti-corruption and responsible business conduct
Neoperl Group greenhouse gas inventories	Internal quantitative data	E1 Climate Change	Assessment of direct and indirect greenhouse gas emissions and major emission sources across the value chain
The Water Footprint of Organizations – Local Measures in Global Supply Chains, final report of the WELLE project ¹¹ , Technische Universität Berlin, Chair of Sustainable Engineering	Company- and material-related research study	E1 and material-related aspects of E2, E3, E4 and E5	Assessment of water-related impacts across operations and supply chains and identification of potential water-related hotspots
Site-related climate risk information	External risk data and location analysis	E1 Climate Change Adaptation	Initial assessment of physical climate risks potentially affecting sites, employees, production and business continuity
International resource and environmental studies	External scientific reports	E1, E2, E3, E4 and E5	Contextual assessment of environmental impacts associated with resource extraction and material processing
Human rights and mineral supply chain guidance	International guidance and databases	S2 Workers in the Value Chain	Assessment of potential human rights, labor and occupational health and safety risks in upstream raw material supply chains
Regulatory requirements, market trends and industry developments	Regulatory and external information	Cross-cutting	Assessment of emerging regulatory, market and stakeholder-related risks and opportunities

Table A1: Sources used in the Double Materiality Assessment

¹¹ Q29

Appendix 3: Greenhouse Gas Inventory and Energy Methodology

A3.1 Greenhouse Gas Reporting Boundary

The 2025 greenhouse gas inventory was prepared using the operational control approach. All entities and sites included in the greenhouse gas reporting boundary were consolidated at 100%.

The reporting boundary comprises reporting locations and production-related entities for which relevant energy, activity and emissions data were available. Sales, distribution and representative entities outside the greenhouse gas reporting boundary employed 45 people in 2025. Based on their limited size and the nature of their activities, these entities were assessed as not significant in relation to the Group’s overall greenhouse gas emissions profile.

The Brazilian location operates as a sales and logistics site serving the local market. Imported components are assembled and packaged locally within a limited assembly and packaging process, while finished products are supplied by other Neoperl reporting locations. The location is therefore not classified as a production site for the purposes of the 2025 greenhouse gas inventory.

Detailed information on entities outside the greenhouse gas reporting boundary is presented in Table A2.

Location	Entity Type	Employees
Australia	Representative office	1
Brazil	Sales and logistics site ,assembly and packaging activities	10
China (Hong Kong)	Sales office	4
Japan	Representative office	3
Spain	Sales office	15
South Korea	Sales office and distribution center	3
Türkiye	Sales office	5
United Arab Emirates	Representative office	3
Vietnam	Representative office	1
Total		45

Table A2: Excluded sales, distribution and representative entities 2025

A3.2 Calculation Principles and Emission Factors

Greenhouse gas emissions were calculated in accordance with the Greenhouse Gas Protocol Corporate Standard. Depending on the emission category and available data, the calculation used physical activity data, financial data and supplier-, product- or site-specific information.

Where primary data was unavailable, estimates, extrapolations and proxy emission factors were applied using the best information available for the reporting period. Category-specific data availability, assumptions and limitations were considered when assessing the reliability of the results.

Emission factors were obtained from recognized databases and reference sources, including DBEIS, Exiobase, CEDA, GLEC, Mobitool and the Austrian Environment Agency¹². Supplier-specific and site-specific emission factors were used

where available. Custom emission factors based on supplier information, site data or company-specific calculations were used for selected emission sources.

The emission factors applied, including their source, category and version, are maintained in a separate internal emission-factor register.

Financial data reported in local currencies were translated into euros using the annual average exchange rates applied internally for the 2025 reporting year.

A3.3 Energy Consumption Methodology

Energy consumption is reported as final energy consumption in megawatt hours and includes purchased electricity, fuel consumption and self-generated renewable electricity consumed within Neoperl’s own operations.

Photovoltaic electricity generated and consumed on-site is reported as renewable energy consumption. Electricity generated by photovoltaic systems and exported to the grid is not included in Neoperl’s own energy consumption and is reported separately as renewable electricity generation.

Electricity consumed by company-operated electric vehicles and purchased through external charging providers is included where it is not already captured through site electricity invoices.

The corresponding quantitative information is presented in the main report and is not repeated in this methodological appendix.

A3.4 Electricity-Mix Allocation

Electricity consumption was allocated to renewable, fossil and nuclear energy sources using a market-based hierarchy.

Supplier-specific electricity-mix information was used where available. Where contractual instruments such as Guarantees of Origin¹³ or renewable-energy certificates were available, these were reflected in the market-based allocation. Where supplier-specific information or contractual instruments were unavailable, residual-mix data¹⁴, national electricity statistics or recognized international energy databases were used.

¹² Q7-Q12

¹³ Q14

¹⁴ Q13

Priority	Source	Application
1	Supplier-specific electricity mix	Preferred where available
2	Guarantees of Origin or renewable-energy certificates	Market-based allocation
3	Residual-mix data	Market-based fallback
4	National electricity-generation statistics	Location-based calculation or fallback
5	Recognized international energy databases	Fallback where other information was unavailable

Table A3: Hierarchy of electricity-mix data sources

Supplier-specific electricity-mix information was not available for all external charging providers. Electricity consumed through these providers was therefore allocated using the best available secondary information.

A3.5 Scope 1 Methodology

Scope 1 emissions comprise direct greenhouse gas emissions from sources under Neoperl’s operational control.

The reported Scope 1 categories include:

- stationary combustion from fuels used for heating and operational purposes;
- mobile combustion from company-operated vehicles and mobile equipment; and
- fugitive emissions associated with refrigerant losses.

Stationary- and mobile-combustion emissions were calculated using reported fuel-consumption data and recognized fuel-specific emission

factors. Fugitive emissions were calculated using available refrigerant data, invoices, maintenance information and estimates where complete activity data were unavailable.

Fugitive-emission data were not available consistently for all reporting locations and therefore include estimates based on the information available.

None of Neoperl’s installations are covered by the European Union Emissions Trading System. Accordingly, 0% of reported Scope 1 emissions originated from installations subject to the EU ETS.

A3.6 Scope 2 Methodology

Scope 2 emissions are reported using both market-based and location-based approaches in accordance with the Greenhouse Gas Protocol.

The market-based approach reflects applicable contractual instruments, Guarantees of Origin, renewable-electricity procurement arrangements

and supplier-specific electricity information. Where this information was unavailable, residual-mix data or other recognized secondary sources were applied.

The location-based approach reflects average national or regional electricity-generation mixes based on publicly available electricity data.

Electricity consumed by company-operated electric vehicles and purchased through external charging providers is reported under Scope 2 where the electricity is not already included in site electricity invoices.

All reported Scope 1 and Scope 2 emissions relate to entities included in the Group’s greenhouse gas reporting boundary. No Scope 1 or Scope 2 emissions from entities outside this boundary were reported for 2025.



A3.7 Scope 3 Screening and Methodology

All 15 Scope 3 categories were screened for relevance to Neoperl’s business model and greenhouse gas inventory.

The assessment considered the expected magnitude of emissions, data availability, Neoperl’s ability to influence the emission source and the relevance of each category to the Group’s operations and value chain.

Categories 1, 2, 3, 4, 5, 7 and 12 were assessed as material and quantified in the 2025 greenhouse gas inventory. Categories 6 and 9 were also assessed as material but were not quantified because sufficiently consistent Group-wide activity data was unavailable for the reporting year.

Category 8 is accounted for under Scope 1 and Scope 2 where Neoperl has operational control over the relevant leased assets. Categories 10, 11 and 13 were assessed as not material. Categories 14 and 15 were assessed as not applicable to Neoperl’s business model.

Category-specific reporting status, calculation bases and key data limitations are presented in Table A4:

Scope 3 Category	Assessment	Reporting Status 2025	Calculation Basis or Rationale
1. Purchased goods and services	Material	Quantified	Purchasing quantities, financial information and proxy emission factors. Partial-year data for selected reporting entities were extrapolated to twelve months.
2. Capital goods	Material	Quantified	Financial accounting data and recognized emission factors. Product-specific carbon-footprint data were not systematically available.
3. Fuel- and energy-related activities	Material	Quantified	Based on reported Scope 1 and Scope 2 energy data and recognized upstream emission factors.
4. Upstream transportation and distribution	Material	Quantified	Logistics reports, transport distances and transport modes. Activity data was used where carrier-specific information was unavailable or insufficiently reliable.
5. Waste generated in operations	Material	Quantified	Waste reports, invoices and available site documentation. Treatment-route detail differs across locations.
6. Business travel	Material	Not quantified	Sufficiently consistent Group-wide activity data were unavailable for 2025.
7. Employee commuting	Material	Quantified	HR data, working days, home-office assumptions, distance information and modal-split assumptions.
8. Upstream leased assets	Conditionally material	Included in Scope 1 and Scope 2	Leased assets under operational control are accounted for in Scope 1 and Scope 2.
9. Downstream transportation and distribution	Material	Not quantified	Sufficiently consistent Group-wide activity data were unavailable for 2025.
10. Processing of sold products	Not material	Not quantified	Further processing by customers was assessed as not representing a significant emission source.
11. Use of sold products	Not material	Not quantified	Neoperl products do not directly consume electricity, fuel or other energy during use.
12. End-of-life treatment of sold products	Material	Quantified	Finished-product weights

Table A4: Scope 3 category screening and reporting status

A3.8 Category-Specific Scope 3 Calculation Methods

Purchased goods and services

Emissions from purchased goods and services were calculated using available production-purchasing data, indirect-procurement information, service-related expenditure and financial data. Where sufficiently specific product or material information was unavailable, proxy emission factors were applied.

For selected reporting entities, purchasing data were available for only part of 2025 and were extrapolated to twelve months. The calculation covers the purchasing information available for the reporting period and therefore does not represent a complete product-specific assessment of all purchased goods and services.

Capital goods

Capital-goods emissions were calculated using available financial-accounting data and recog-

nized expenditure-based emission factors. Product-specific carbon-footprint information was not systematically available for the reporting period.

Fuel- and energy-related activities

Fuel- and energy-related activities were calculated based on the fuel and electricity activity data reported under Scope 1 and Scope 2.

Recognized upstream emission factors linked to the corresponding fuels and electricity sources were applied. Supplier-specific factors were prioritised where available, followed by sector-average factors and, where necessary, expenditure-based factors.

Changes to the underlying Scope 1 and Scope 2 activity data are reflected in the calculation of the corresponding fuel- and energy-related emissions.

Upstream transportation and distribution

Upstream transportation and distribution emis-

sions were calculated using available logistics reports, transport distances and transport modes. Where carrier-specific emissions information was unavailable or not sufficiently reliable, transport activity data and recognized transport emission factors were used.

The calculation does not yet cover all transport activities consistently across the Group.

Waste generated in operations

Emissions from waste generated in operations were calculated using available waste reports, invoices and site documentation. Recognized emission factors were applied according to the reported waste type and available treatment information.

Business travel

Business travel was assessed as material but was not quantified for 2025 because sufficiently consistent Group-wide activity data were unavailable.

Employee commuting

Employee-commuting emissions were calculated using available HR information, reported working days, home-office assumptions, employee-location information and modal-split assumptions.

Where employee addresses could not be mapped reliably, distance assumptions were applied. For China, an average one-way commuting distance of approximately 15 kilometers per employee was used. The applied modal split was based on available workforce information and the 2022 employee survey.

The underlying data does not consistently distinguish between employees using company vehicles and employees using private vehicles. Electricity used by company-operated electric vehicles is reported separately under Scope 2.

Downstream transportation and distribution

Downstream transportation and distribution were assessed as material but was not quantified for 2025 because sufficiently consistent Group-wide activity data were unavailable.

End-of-life treatment of sold products

End-of-life emissions were calculated using available finished-product weights and material-composition data. Proxy emission factors were applied where detailed product or material information was unavailable.

For selected reporting entities, input data were available for only part of 2025 and were extrapolated to twelve months.

A3.9 Production Volumes and Emissions Intensity

Production volumes are used solely as reference and plausibility indicators and are not treated as a separate source of greenhouse gas emissions.

Production volume is defined as the final weight of finished, deliverable products whose last production step took place at the respective site. Intermediate assemblies, internal processing steps, individual components consumed in production and intra-group preliminary products that would subsequently be counted again as finished products are excluded.

This approach is intended to avoid double counting between reporting locations.

For two sites that entered the reporting scope during 2025, both emissions and production volumes were extrapolated to a twelve-month period so that the numerator and denominator of the emissions-intensity calculation cover a consistent reporting period.

The reported emissions intensity per ton of production volume is an entity-specific metric.

Included

- Final weight of finished, deliverable products
- Products whose final production step took place at the respective site
- Final site-level production output

Not Included

- Intermediate products and assemblies
- Internal processing steps
- Components already included in a finished product
- Intra-group preliminary products counted again at another site

Table A5: Scope of production volume accounting

A3.10 Data Quality, Estimates and Limitations

Data quality varies by emission category.

Scope 1 stationary-combustion and purchased-electricity data are primarily based on complete or nearly complete site-level activity data. Selected Scope 1 sources and several Scope 3 categories rely partly on estimates, extrapolations or proxy emission factors.

The most significant uncertainties relate to purchased goods and services, upstream transportation and distribution, employee commuting for

locations where individual distance information was unavailable, and the end-of-life treatment of sold products.

Material assumptions, extrapolations, data limitations, emission-factor sources and available supporting documentation are reviewed as part of the annual greenhouse gas accounting process.

A3.11 Greenhouse Gas Emissions by Site

Scope	Kategorie	Values in tCO ₂ e										
		Bulgaria	China (Jiangmen)	China (Shanghai)	Denmark	Germany	India	Italy	Switzerland	Thailand	United Kingdom	United States
Scope 1	1.01. Stationary combustion	69.4	0.0	0.0	5.3	478.0	0.0	242.3	0.0	0.0	32.5	98.6
	1.02. Mobile combustion	25.5	20.3	0.0	0.7	55.7	25.1	29.3	78.8	22.8	0.0	5.9
	1.03. Fugitive emissions	0.0	124.4	0.0	0.0	85.2	0.0	0.0	0.0	0.0	5.8	0.0
Scope 2	2.01. Purchased electricity, location-based	502.3	1,696.8	162.7	14.1	936.5	278.9	395.8	21.7	196.1	617.8	102.0
	2.01. Purchased electricity, market-based	595.9	1,696.8	162.7	3.4	0.0	278.9	707.2	3.5	64.6	1,356.0	102.0
	2.02. Electric vehicles, location-based	0.0	0.0	3.1	0.4	10.6	0.0	0.0	0.7	0.0	0.0	0.0
	2.02. Electric vehicles, market-based	0.0	0.0	3.1	2.5	7.5	0.0	0.0	0.7	0.0	0.0	0.0
Scope 3	3.01. Purchased goods & services	13,389.6	5,301.2	1,870.6	728.8	8,718.5	2,037.6	7,639.7	11,876.1	2,870.6	1,452.5	1,017.5
	3.02. Capital goods	630.8	1,351.6	2,710.2	5.5	296.2	403.6	55.1	185.4	473.8	43.4	94.7
	3.03. Fuel- & energy-related	169.9	379.2	36.5	12.6	343.0	92.9	145.8	42.9	43.7	192.7	44.8
	3.04. Upstream transport	533.0	2,646.6	3,401.3	40.1	404.7	115.6	62.1	240.6	1,601.9	168.2	4,437.5
	3.05. Waste in operations	0.6	0.3	0.1	0.2	7.1	27.6	3.3	0.7	1.1	1.3	15.2
	3.07. Employee commuting	197.3	248.5	73.3	18.0	1,524.1	289.1	89.2	95.7	166.0	144.4	305.1
	3.12. End-of-life treatment	164.2	19.2	51.1	15.8	91.0	29.1	24.7	0.5	3.4	1.6	37.5
Total location-based		15,682.6	11,788.1	8,308.9	841.5	12,950.5	3,299.3	8,687.2	12,543.0	5,379.4	2,660.2	6,158.7
Total market-based		15,776.2	11,788.1	8,308.9	832.9	12,010.9	3,299.3	8,998.6	12,524.9	5,247.9	3,398.4	6,158.7

Table A6: Greenhouse Gas Emissions by Reporting Site 2025

Appendix 4: Environmental Management and Chemical Compliance

Neoperl uses certified management systems to support consistent processes relating to quality, environmental management, occupational health and safety, energy management and other relevant organizational requirements. Certification coverage and implementation status differ across reporting locations. Table A8: Group Management system certification status provides an overview of the certification status and recorded certification dates available at Group level.

Management System / Process	Coverage of Reporting Sites	Relevance for Pollution Prevention	Status 2025
ISO 14001 Environmental Management Systems	7 of 11	Management of environmental aspects, emissions, wastewater, hazardous substances and environmental compliance	Certified or implemented; additional certifications planned or in progress
Hazardous substance management procedures	Relevant reporting locations	Prevention of releases to air, water and soil and safe handling of hazardous substances	Implemented through site-specific operational procedures
Product and material compliance processes	Group-wide	Assessment and monitoring of regulated substances, including lead, PFAS and SVHC	Established
REACH compliance processes	Relevant products and materials	Fulfilment of substance-related information requirements and monitoring of regulated substances	Established
SCIP notification processes	Relevant products containing reportable substances	Substance transparency and regulatory reporting	Established; relevant products registered where required
Environmental audits and monitoring	Relevant reporting locations	Verification of environmental compliance, implementation of controls and continuous improvement	Ongoing through environmental management systems and site-level procedures
Environmental awareness and training	Relevant reporting locations and employees involved in environmental aspects	Awareness of environmental responsibilities, hazardous substances, pollution prevention and emergency preparedness	Ongoing through environmental management and site training programs

Table A7: Environmental management and chemical compliance frameworks 2025

Location	ISO 9001	ISO 14001	ISO 45001	ISO 50001
Bulgaria	√	√	√	–
China (Jiangmen)	√	Planned 2026	√	–
China (Shanghai)	–	–	–	–
Denmark	√	Planned 2026	Planned 2026	–
Germany	√	√	√	√
India	√	–	–	–
Italy	√	√	√	–
Switzerland	√	–	–	–
Thailand	√	Planned 2026	Planned 2026	–
United Kingdom	√	Planned 2026	Planned 2026	–
United States	√	Planned 2026	Planned 2026	–

Table A8: Group Management system certification status

Appendix 5: Water Data and Water Risk Assessment

A5.1 Water-Data Methodology

Water-related information is collected at reporting-location level. Depending on local data availability, the figures are based on measurements, estimates or a combination of both.

Freshwater withdrawal represents the volume of freshwater obtained for use at the reporting location. Water discharge represents the volume of water discharged after use. Calculated water consumption is determined as follows:

Water consumption = freshwater withdrawal – water discharge

Separate water and wastewater information was unavailable for the Indian location for 2025 because the landlord did not provide these data separately.

Detailed site-level information is presented in Table A9.

Site	Freshwater Withdrawal 2025 (m³)	Water Discharge 2025 (m³)	Water Consumption 2025 (m³)	Data Quality
Bulgaria	1,780.0	1,780.0	0.0	Measured* / Measured**
China – Jiangmen	4,806.0	4,326.0	480.0	Measured* / Measured**
China – Shanghai	725.0	625.5	99.5	Measured* / Measured**
Denmark	68.0	68.0	0.0	Measured* / Measured**
Germany	1,397.0	1,397.0	0.0	Measured* / Measured**
India	Not available	Not available	Not available	Not available
Italy	2,090.0	1,900.0	190.0	Measured* / Estimated**
Switzerland	1,040.0	900.0	140.0	Measured* / Estimated**
Thailand	1,171.0	900.0	271.0	Measured* / Measured**
United Kingdom	2,750.0	2,600.0	150.0	Measured* / Estimated**
United States	1,047.7	900.7	147.0	Measured* / Estimated**
Total	16,874.7	15,395.9	1,478.8	

* Freshwater withdrawal / ** Water discharge

Table A9: Freshwater withdrawal, discharge, calculated consumption by site 2025

A5.2 Water-Risk Screening Methodology

An initial site-level water-risk screening was conducted using the WWF Water Risk Filter¹⁵.

The screening was performed on 1 October 2026 using the geographic coordinates of the eleven reporting locations. The Basin Physical Risk indicator was used to assess basin-related physical water risk.

The following risk classification was applied:

Score Range	Risk Classification
1.0 ≤ x ≤ 1.8	Very low risk
> 1.8 to ≤ 2.6	Low risk
> 2.6 to ≤ 3.4	Medium risk
> 3.4 to ≤ 4.2	High risk
> 4.2 to ≤ 5.0	Very high risk

Table A10: WWF Waterstress risk classification

The assessment identified the Indian location as being situated in an area with high basin-related physical water risk. The locations in Thailand and Shanghai were assessed as being situated in areas with medium basin-related physical water risk. The other reporting locations were assessed as having low or very low basin-related physical water risk.

The results represent an initial basin-level screening and do not replace detailed local hydrological or operational assessments. Operational water data, local conditions and site-specific mitigation measures will be integrated into future assessments.

Detailed screening results are presented in Table A11:

¹⁵ Q15–17

Location	WWF Water Risk Filter (BPH)	Risk Classification
India	3.91	High
Shanghai	2.98	Medium
Thailand	2.95	Medium
All other sites	< 2.6	Low/Very low

Table A11: Site-level water risk screening results 2025 (WWF Water Risk Filter)

Appendix 6: Materials, Circular Economy and Waste Methodology

A6.1 Material-Inflows Methodology

Material inflows were assessed using available purchasing quantities, product-weight information and the data used for the 2025 assessment of Scope 3 purchased goods and services.

Purchased goods were classified into material categories based on available procurement descriptions, material master data and weight information. Depending on the reporting entity and material category, reported quantities include measured values, calculated quantities, estimates and extrapolations.

Purchased goods for which no sufficiently reliable material identification was available are reported as “Not defined” and are not allocated to another material category. Services and purchased goods

assessed exclusively using financial information are not included in the material-weight table.

The percentage share of each material category is calculated in relation to the total reported material weight.

A6.2 Secondary Resources and Recycled Content

Secondary and recycled material content was not recorded consistently on a Group-wide basis for 2025.

For product components intended for contact with drinking water, product-safety, hygiene and regulatory-approval requirements may restrict or exclude the use of recycled materials.

Quantitative information on recycled content in packaging was unavailable for 2025.

A6.3 Waste Methodology

Waste data was collected at reporting-location level using available waste reports, invoices, disposal documentation and environmental-management records.

Wastewater-related streams are excluded from the ESRS waste metrics. The reported waste figures therefore cover solid hazardous and non-hazardous waste streams.

Waste was classified by hazard status and available treatment-route information. Treatment-route definitions and the level of detail differ across locations.

Where sufficiently detailed treatment information was unavailable, waste was reported using the treatment classification provided by the relevant site or waste-service provider.

Format / Channel	Target Group	Frequency	Use / Follow-up
Direct dialogue / 1:1 meetings	Managers, HR, local management	Periodically	Clarification of individual concerns, working conditions, development and support needs
Employee surveys	Employees at participating sites	Periodically	Collection of structured feedback on employee experience, working conditions and other relevant topics
Group Intranet / Communities / E-Mail	Employees at connected sites	Ongoing	Information sharing, feedback, questions and comments on company information
Work messaging application and dedicated communication sessions	Information and dialogue on work-related matters, safety and organizational developments	Ongoing / regular sessions	Timely feedback and structured communication
Town Halls	Employees at the Thailand site	Monthly	Information and dialogue on work-related matters, safety and organizational developments
Labor-Management Committee	Employees and management at the Thailand site	Quarterly	Structured dialogue between employees and management
Employee representation mechanisms	Employees at relevant sites	In accordance with local requirements	Representation of employee interests and dialogue with management in line with local legal and organizational structures
Management Walkabouts	Employees across all shifts at the United Kingdom site	Monthly	Direct dialogue on safety, health, environment and wellbeing
Suggestion boxes / physical feedback boxes	Employees at several sites	Ongoing	Accessible channel for submitting ideas, feedback and concerns
HR mailbox / physical mailbox	Employees at selected sites	Ongoing	Questions, complaints and requests for support
Whistleblowing / Grievance channels	Group-wide and / or site-specific	Ongoing	Confidential reporting of potential violations and structured case handling

Table A12: Employee engagement and feedback formats 2025

Action	Measure	Time Horizon	Status / Evidence
Employee attraction and retention	Site-specific employment conditions, internal development opportunities, employee dialogue through managers and HR, as well as monitoring of turnover, workforce structure and succession needs	Ongoing	HR processes, headcount and turnover data, employee feedback and engagement formats
Working time and work-life balance	Flexible working arrangements, local working-time regulations, mobile working where applicable, and family-related leave and other measures supporting work-life balance	Ongoing	Local working-time policies, HR processes and applicable employment regulations
Adequate remuneration	Regular review of local pay levels against statutory requirements, collective agreements and relevant market or living-wage benchmarks; monitoring of lower pay bands and selected job grades	Ongoing	Local remuneration frameworks, collective agreements and compensation benchmarks
Health and safety	Mandatory safety training and briefings, workplace risk assessments, incident and near-miss reporting, emergency preparedness, provision of appropriate PPE, investigation of incidents and follow-up of corrective measures	Ongoing	Local H&S management systems, training records, incident and accident data, audits and site inspections
Training and skills development	Professional and role-specific training, leadership development, performance and development discussions, individual development measures and digital learning formats	Ongoing	Training and review documentation; increasing use of Group-wide digital learning platform for training delivery, documentation and tracking
Knowledge transfer and succession	Transfer of specialist, experiential and management knowledge through collaboration, development activities, succession planning and targeted qualification measures	Ongoing/further development	Existing development, talent and training processes

Table A13: Workforce-related measures 2025

Appendix 8: Workforce Metrics Methodology

A8.1 Employees and Contract Types

Workforce information is reported using employee headcount as 31 December 2025.

Employee contract types are classified according to the applicable legal and employment definitions in the respective country. The information was collected and reported by the HR representatives responsible at each reporting location. Due to differences in national labor laws and employment frameworks, contract categories are reported in accordance with local definitions and classifications.

A8.2 Employee Turnover

Employee turnover is calculated as the number of employees leaving the company during the reporting year divided by the average number of employees during the reporting period, multiplied by 100.

The methodology is being harmonized across reporting locations; a Group-wide turnover rate will be reported once consistent data is available.

A8.3 Employees with Disabilities

Information regarding employees with disabilities is based on the applicable national definitions and available HR information in the respective jurisdictions.

The availability of disability-related data differs between countries due to varying legal requirements, reporting obligations and privacy regulations. Reported figures therefore reflect the information available locally and may not be fully comparable across reporting locations.

A8.4 Remuneration Metrics

Gender Pay Gap

The unadjusted gender pay gap is calculated as the difference between the average gross hourly

remuneration of men and women divided by the average gross hourly remuneration of men and expressed as a percentage.

Annual Total Remuneration Ratio

The annual total remuneration ratio is calculated as the ratio between the annual total remuneration of the highest-paid individual and the median annual total remuneration of all other employees.

A8.5 Health and Safety Metrics

The coverage of occupational health and safety management systems is calculated as the percentage of employees covered by an occupational health and safety management system relative to the total workforce.

The accident rate is calculated as the number of recordable workplace accidents divided by total hours worked and expressed per one million hours worked.

Work-related illnesses represent reported and known cases of occupational illness during the reporting year where data collection is legally permissible.

Lost days represent the number of working days lost because of recordable work-related injuries and occupational illnesses during the reporting period.

Appendix 9: Remuneration Reference Information

A9.1 Local Wage Reference Methodology

Indicative local reference levels were used to support the assessment of remuneration practices at reporting locations.

The reference values are intended as contextual benchmarks and do not constitute a single harmonized Group-wide living-wage methodology. Depending on the location, the assessment con-

sidered applicable statutory requirements, collective agreements and available national or regional wage and cost-of-living references.

The local reference levels, applicable units and principal sources used are presented in Table A14:

Location	Indicative Reference Level	Unit	Reference Basis	Source Ref.
Bulgaria	€ 700–850	per month	National wage and labour-market benchmarks	Q26, Q37
China (Jiangmen)	RMB 2,500–3,000	per month	Regional wage benchmarks	Q26, Q37
China (Shanghai)	RMB 2,500–3,000	per month	Regional wage benchmarks	Q26, Q37
Denmark	DKK 21,000–24,000	per month	Collective agreement wage levels	Q28
Germany	€ 2,000–2,300	per month	Labour-market and cost-of-living benchmarks	Q26, Q37
India	INR 12,000–18,000	per month	National wage data and labour-market benchmarks	Q26, Q37
Italy	€ 1,200–1,500	per month	Collective agreement and labour-market benchmarks	Q28
Switzerland	CHF 4,000–4,500	per month	Cost-of-living and labour-market benchmarks	Q26, Q37
Thailand	THB 12,000–15,000	per month	National wage data and labour-market benchmarks	Q26, Q37
United Kingdom	£ 13.45/£ 14.80 London	per hour	Living Wage Foundation	Q27
United States	\$ 20–24	per hour	MIT Living Wage Calculator	Q34

Table A14: Indicative local wage reference levels 2025

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An aerial photograph of a lush, green forest. A winding river flows through the center of the image, surrounded by dense trees. Mist or smoke rises from the forest floor, creating a dreamy atmosphere. The colors are vibrant greens and blues.

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